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POST WHAT?

Doug Henwood

THE LEFT-LIBERAL CONSENSUS ON JAPAN

Martin Hart-Landsberg and Paul Burkett

A VIEW FROM THE TROUGH

Richard Levins

VOL. 48
4

ALSO INSIDE:

John Newsinger on Thatcherism and Mad Cow Disease

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NOTES FROM THE EDITORS

In a charming review of a new book (*One Hundred Years of Socialism* by Donald Sassoon) in the (London) *Guardian*, our old friend Eric Hobsbawm begins by categorizing people (like us) as "paleolithics." He writes that "except for a few paleolithic sectarian survivals, everyone agrees that the future of the European left lies in centre-left governments' finding a viable mix of private and public interests." We do not mind being called paleolithics as long as it involves putting us in what we regard as very good company. Outside of Europe there are literally millions of paleolithics by Eric's definition, and even in Europe there are quite a few of them, well represented by another old friend of ours, Daniel Singer, the redoubtable European correspondent of *The Nation*.

Hobsbawm's review bears the somewhat cryptic title "If Truth Be Told." What truth is he talking about? The answer is foreshadowed in the

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POST WHAT?

by DOUG HENWOOD

I'm certainly not the first to point out that postmodernism is an ideology that depends crucially on the denial of history; indeed, this was a theme of *Monthly Review*'s special issue last summer on the topic. Sometimes this is explicitly theorized—an embrace of discontinuity, a celebration of the fragmentation of time, space, and historical experience that liberates us from the dead hand of master narratives. This view seems badly infected by the French taste for fashion, in which new truths are announced with the turn of the season, rendering wrong everything you thought you ever knew. In its vulgar version, the street postmodernism of newspapers and slick magazines, it's more a matter of simple forgetfulness—journalists rarely know or remember anything that happened the week before last, let alone in the 1970s. Perversely, this forgetfulness may actually provide an opening; as a friend of mine once put it, in a jaded society with no historical memory, maybe the only way to shock people with something apparently new is by reviving something really old—she was specifically talking about Marxism.

So much for cultural fashion. I'd like to contest the claims of the postmodernists that we live in a world so new, so without precedent, that everything we used to know or

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Doug Henwood is the editor of *Left Business Observer*. This is the edited transcript of a talk given at a *Monthly Review*-sponsored panel at the Socialist Scholars Conference, New York, April 13, 1996.

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thought we knew is wrong. Since I'm an economic journalist, I'd like to focus specifically on the worlds of consumption and production. No doubt one could do the same with the world of culture, but that's a project for another day. Some of what follows is in the spirit of the famous definition of the journalist's duty, attributed to former *Economist* editor Geoffrey Crowther: "simplify and exaggerate."

In a previous life, when I used to study literature, I learned at a piggishly union-busting university in Connecticut, that the periodizations I'd absorbed in high school were wrong, and that there was actually a tremendous continuity in the canonical literature, particularly poetry, written in English between the late 18th century and mid-20th. That continuity might be expressed, though I didn't learn it in exactly this language, as the evolution of the bourgeois individual, from the tentative individual of late classicism, through the heroic individual of High Romanticism, through the troubled individual of Victorianism, through the highly aestheticized individual, withdrawn into himself (and it was usually a him) in the first half of this century. Had I stuck with the pursuit, no doubt I could have fit the postmodern individual-as-fragment, the atom of a whole that never was, into the scheme as well.

One of the great advantages of a high bourgeois education like that I got at Yale is that you can then turn your lessons back on your social betters in the interests of undermining their rule. So translating my literary lesson about continuity within change into political economy yields a very similar picture: for all the tales of rupture, there remains a remarkable continuity within the history of capitalism over the last 200 years. Though of course there are many differences, in many ways, today's capitalism resembles that of the late 19th century more than it does that of the 1950s and 1960s. That Golden Age, which once looked like a norm from which the recent past was an aberration, seems now like the real oddity—a time of reasonable stability, rapidly rising incomes not only in the First but also much of Third World. For a moment or two it even looked like socialism was the wave of the future.

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Joan Robinson wasn't the only one to claim that that broad and rapid rise in real incomes proved Marx wrong. Now that real wages have been falling for over 20 years in the United States, in most of the Third World for the last 15, and with downward mobility spreading to Australia, Canada, and even parts of Europe, it seems that maybe Marx was right after all. It's ironic that at the very moment his intellectual and political reputation is in the basement, the world is behaving in its most "Marxian" fashion since 1914.

Let's travel back to that pre-1914 world for a moment. Yes, today capital and commodities traverse the globe with remarkable freedom. Casual observers treat this borderless world as a recent invention—but it's more than a little reminiscent of life before the First World War. That idyllic world was nicely evoked by John Maynard Keynes, himself one of the once-charmed Londoners he wrote about in this passage from *The Economic Consequences of the Peace*:

> The inhabitant of London could order by telephone, sipping his morning tea in bed, the various products of the whole earth, in such quantity as he might see fit, and reasonably expect their early delivery upon his doorstep; he could at the same moment and by the same means adventure his wealth in the natural resources and new enterprises of any quarter of the world, and share, without exertion or even trouble, in their prospective fruits and advantages; or he could decide to couple the security of his fortunes with the good faith of the townspeople of any substantial municipality in any continent that fancy or information might recommend. He could secure forthwith, if he wished it, cheap and comfortable means of transit to any country or climate without passport or other formality.... But, most important of all, he regarded this state of affairs as normal, certain, and permanent, except in the direction of improvement... The internationalization of [social and economic life] was nearly complete....[1]

This attitude of entitlement and permanence equally characterizes capital's sense of itself today. Aside from the occasional trade skirmish, often whipped up by politicians eager to excite domestic audiences, further global economic integration, of which free capital flows are the avant garde, is thought to be inevitable. We'll see if it is.

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How badly Keynes's idyllic world came unstuck in the Depression can quickly be seen in the experience of "sovereign default"—countries that went bust. Of fifty eight countries that issued international bonds in the 1920s, twenty five defaulted between 1929 and 1935. In dollar terms, 70 percent of all foreign debt issued in the United States between 1926 and 1929 (excluding Canada) went bad—compared with a default rate of "only" 30 percent on corporate debt issued in the late 1920s.[2]

Here's one way in which things do seem to be different today. Despite all the talk about the death of the state, state institution, ranging from national ones like the U.S. Treasury and the Federal Reserve to international ones like the World Bank and the IMF, have managed to prevent a replay of the 1920s collapse, despite the recurrent financial crises of the last twenty years. Not only did they keep the Third World debt melodrama from metastasizing into a global implosion, they used the crisis to great advantage in forcing a variety of "reforms" on the debtor countries. But behind this difference lies a repetition—a highly successful neo-neo-colonialism, that has reversed much of the movements towards national independence of the early postcolonial era. So today's global regime is a somewhat flexible remake of the late 19th century—tight money and free capital flows in "normal" times, with enough flexibility in a crisis to manage a bailout. The system-threatening aspects of laissez-faire seem domesticated, but the profit-enhancing ones are present in all their fury.

Globalization in Perspective

In December 1991, when he was serving as the World Bank's chief economist, Lawrence Summers wrote a famous memo commenting on a draft of the Bank's annual *Global Economic Prospects and the Developing Countries.* The memo would never have become famous had it not been for a spicy passage in which he argued that "Africa is vastly underpolluted," and that it made economic sense to dump toxic waste in countries where life expectancies were already short, and

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wages low, since people had so much less to lose from dying young. Summers' mistake, of course, was merely honesty; bourgeois economists think exactly like this when they value a human life as the present value of the future wage stream, and do the appropriate cost-benefit calculations on that basis. Thanks to that indiscretion, the memo was leaked to the press, and reported apologetically by *The Economist* and critically by *The Nation.*[3] However, none of the reporters (me included) remarked on this fascinating section of Summers' memo:

> What's new? Throughout the outline I struggle with the evidence showing what exactly the proclaimed revolution [in production] has revolutionized. FDI [foreign direct investment—i.e., multinational business] has always existed and many of the world's largest firms have been transnational from birth. The "globalization" of production has happened, sure, but has the telecommunications revolution really had a major impact? I would guess the invention of relatively simple things, like steamship transport, did more for world trade than digitalized data transmission through fiber optic cables. How exactly has the nature of manufacturing been "fundamentally altered"? Aren't people just incrementally better at doing things they've always done, like locating production in the lowest cost location for delivery to markets (now "globalization of production"), like managing inventories in a least cost way (now "just-in-time inventory management"), like choosing the appropriate level of vertical integration depending on the production process (now "critical buyer-seller links"), like matching production to demand (now "short product cycles"). Is a "revolution" really the appropriate metaphor for these changes? I think the detailed evidence from the United States about the very small impact on productivity from the large investment in information technology should convince us to hold off on the breathless tone about technology.

Summers, despite his political piggishness, is as smart as mainstream economists come, and his point—especially since it was written for an intimate audience—should be taken seriously. "Globalization," like "technology," is often held up as the reason things can't get any better; it's the excuse for cutting wages, firing thousands, hacking budgets, and poisoning rivers. It deflects attention from the causes of globalization and technical change in the first place, the quest for higher profits and stock prices. They also seem conveniently like

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outside forces, like gravity, rather than products of human agency. Globalization is real, but maybe Summers is right, and the revolution is merely incremental, and not something all that fundamentally new.

Let's look more closely at a few, admittedly crude, measures of economic globalization. One measure is exports as a share of GDP, shown in the nearby table. By that measure, Britain was only a bit more globalized in 1992 than it was in 1913, and the United States today isn't a match for either. Japan, widely seen as the trade monster, exported only a little larger share of its national product than did Britain in 1950, a rather provincial year. Mexico was more internationalized in 1913 it than was in 1992. Exports are just one indicator, for sure, but by this measure, the distance between now and 1870 or 1913 isn't as great as it might seem.

EXPORTS AS PERCENTAGE OF GDP, 1820-1992

	UK	US	Mexico	Japan
1820	3.1	2.0	—	—
1870	12.0	2.5	3.7	0.0
1913	17.7	3.7	10.8	2.4
1929	13.2	3.6	14.8	3.5
1950	11.4	3.0	3.5	2.3
1973	14.0	5.0	2.2	7.9
1992	21.4	8.2	6.4	12.4

Angus Maddison, *Monitoring the World Economy, 1829-1992* (Paris:Organisation for Economic Cooperation and Development, 1995).

A difference now from then is, admittedly, the growth in cross-border investment—the proliferation of multinational corporations (MNCs). But even this must be viewed in perspective. It's often said in documents from the World Bank, the UN, and the antiglobalization crowd that production is now organized globally, and proof of this is that a third of world trade consists of intrafirm transfers—from one national branch of an MNC to another, parts transferred, say, from IBM Ireland to IBM Italy for further assembly.

This image of a global assembly line is extrapolated from U.S. Commerce Department data on multinationals, which is the best in the world. Recent figures from that source suggest

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that this may be a bit overdone.[4] While a third of U.S. trade is intrafirm, this is "largely accounted for" by transfers of finished or near-finished products from U.S. makers to their foreign sales affiliates, or foreign makers to their U.S. sales operations. Intrafirm trade of components, the kind on which images of the global assembly line depend, accounted for a bit over 10 percent of U.S. trade, with no significant rise between 1982 and 1993. The foreign branches of MNCs buy most of what they sell in the region of the products' final sale, rather than transferring from the home base: foreign branches of United States MNCs obtain 90 percent of their inputs abroad, and over 80 percent of the sales of U.S. affiliates of foreign MNCs originates in the United States. Of course, these numbers don't count contracting relations—like The Limited's manufacturing arrangements with dollar-an-hour operations in El Salvador, but how new really is sweatshop labor?—but they do support Summers' skepticism about radical transformations.

There's a political point lurking behind a consideration of these numbers. "Globalization" is typically cited to disarm any opposition to almighty capital. If capital is in part playing a confidence trick with this incantation, then maybe labor and the nation-state aren't as powerless as they're said to be. In public, Summers never counsels against the breathless tone.

Consuming the Other Away

Another claim of the "posties" is that the old antagonistic view of class relations is now irrelevant in a world where consumption is the great universal. This view conveniently forgets that our powers of consumption are in large part determined by our positions in the world of production, i.e., how much money we have to consume with. Supposed leftists shouldn't fall prey to this, but a very prominent one, Andrew Ross, wrote this a few years ago:

> [T]he left's view of Capital iteself as a supremely rational and monolithing, domination producing system has tended to remain in place . . . Capital, or rather our imaginary of Capital, still belongs

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for the most part to a demonology of the Other. This is a demonology that inhibits understanding and action as much as it artificially keeps alive older forms of ressentiment that have little or no purchase on postmodern consumer society.[5]

Now Ross is a very smart and likeable fellow, but what planet does he live on? This is, to be charitable, the flameout phase of the Reagan boom. But many postmodernists still believe the doctrine. Have class relations ever been more frankly on view than in the last fifteen or twenty years, a relentless cascade of austerity and downsizing? Knowledge that Wall Street rallies on job loss has entered the popular consciousness, and maybe that of even a few tenured professors. Hawkes, an old-fashioned guy who still believes in concepts like false consciousness, argues that "postmodernism is nothing more than the ideology of consumer capitalism."

The financing of mass consumption deserves some attention from cultural theorists. In a world of stagnant-to-falling real incomes, bubbly consumer spending can be sustained only by massive extension of credit. In 1989, the spiritual peak of the Reagan economy, household debts were 82.7 percent of annual after-tax income; by 1995, the burden had grown to 91.2 percent. In the last quarter of 1995, households devoted 16.7 percent of their after-tax incomes to debt service, within hailing distance of 1989's peak of 17.6 percent.[6]

This is a way the present is unlike the 19th century; consumer credit is truly a brilliant systemic adaptation. But it hardly represents the dissolution of class antagonisms. All the complex institutional intermediations aside, consumer credit fundamentally involves poor and middle income people borrowing from rich ones, which makes the lenders richer in the end.

Fantasies of the dissolution of class antagonism through shopping are nothing new. In 1913, Walter Weyl—along with Herbert Croly and Walter Lippman the great theorists of Progressivism—wrote these observations in a book, *The New Democracy*.[7] Reading the early engineers of consent, you can watch ideologists inventing the mass individual with your own eyes:

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In America today, the unifying economic force...is the common interest of the citizen as a consumer of wealth and incidentally as an owner of (undivided) national possessions.

The consumer...reappears in the political arena as "the common man," "the plain people," "the straphangers," "the man on the street," "the taxpayer," "the ultimate consumer." Men who voted as producers are now voting as consumers. What Weyl called the "democraticization" of former luxury goods like watches and carpets represented "a change within the last half century of the farthest-reaching proportions."—83 years ago!

Jobs of the Future

By evoking downsizing, I don't mean to argue, a la Jeremy Rifkin, that work is disappearing.[8] As AT&T Vice President for Human Resources, James Meadows, observed for the *New York Times*, "People need to look at themselves as self-employed, as vendors who come to this company to sell their skills. In AT&T, we have to promote the whole concept of the work force being contingent [i.e., on short-term contract, no promises], though most of our contingent workers are inside our walls. 'Jobs' are being replaced by 'projects' and 'fields of work,'" he said, giving rise to a society that is increasingly "jobless but not workless."

People have been worrying about machines replacing human labor since the beginning of capitalism. Yes, machines do replace workers—but employment nonetheless continues to expand, quadrupling in the United States over the last sixty years. In most parts of the world, aside from Europe and Africa, employment is growing. Throughout history, capitalism has constantly drawn new people into paid labor, though the demand for jobs always outstrips the system's capacity to provide them.

This time it's different, Rifkin argues, since the service sector, which has absorbed the castoff manufacturing workers as well as millions of new (largely female) entrants, is now automating, promising job shrinkage. That productivity

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boom is invisible by standard measures. Sure, U.S. manufacturing has seen strong productivity growth, but not the service sector; over the last three years, output per hour worked in manufacturing is up 11 percent, but in all private business, only 1 percent—the average pulled down by a dismal services performance. Amazingly, output per unit of capital—a messy concept, theoretically and practically, but good enough for journalism—has been declining for most of the last four decades, and with no upturn in recent years, those of the cyberflourishing.

Yes, mechanization does allow fewer workers to produce more stuff. To lubricate his move from this noncontroversial point to the apocalyptic mode, Rifkin quotes Marx's prediction (from the *Grundrisse*) of the "last...metamorphosis of labor ...when an automatic system of machinery" replaces the living worker. Rifkin seems not to have learned much from the passage that surrounds that quotation. To Marx, machinery renders workers dependent, makes them into watchmen and regulators rather than direct producers; although the social knowledge and coordination behind technological production could make possible a more leisurely and humane way of life, instead it's used for the accumulation of money. But machines don't render human workers obsolete; on the contrary, Marx said, they "presuppose masses of workers" to set them in motion and keep them going.[10]

It's odd to cite Marx to refute Rifkin's millenarianism, but here's another soundbite, this from *Theories of Surplus Value*. Marx foresaw a day when basic industry would be highly mechanized, and only a third of all workers were directly engaged in production.

> The two-thirds of the [unproductive] population consist partly of the owners of profit and rent, partly of unproductive labourers (who also, owing to competition, are badly paid). The latter help the former to consume the revenue and give them in return an equivalent of services—or impose their services on them, like the political unproductive labourers. It can be supposed that—with the exception of the horde of flunkeys, the soldiers, sailors, police, lower officials and so on, mistresses, grooms, clowns and jugglers—these unproductive labourers will on the whole have a higher level of

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culture than the unproductive workers had previously, and in particular that ill-paid artists, musicians, lawyers, physicians, scholars, schoolmasters, inventors, etc., will also have increased in number.[11]

Ill-paid lawyers and physicians hardly exist, and some of the occupational categories sound a bit off; who, in the middle of the 19th century, could imagine a world filled with information clerks and home health aides? And the "level of culture" may be problematic to some. But the general outline sounds pretty familiar: basic production employing ever fewer, with ever more in ill-paid service jobs. We're all day laborers now—what's so new about that?

NOTES

1. John Maynard Keynes, *The Economic Consequences of the Peace* (New York: Penguin Books, 1988), p. 11.
2. Richard Cantor and Frank Packer, "Sovereign Credit Ratings," *Current Issues in Economics and Finance 1* (Federal Reserve Bank of New York), June 1995.
3. *The Economist*, "Pollution and the Poor," February 15, 1992, p. 18, and "Let Them Eat Pollution," February 8, 1992, p. 66; Doug Henwood, "Toxic Banking," *The Nation* 254 (March 2, 1992), p. 257.
4. Obie G. Whichard and Jeffrey H. Lowe, "An Ownership-Based Disaggregation of the U.S. Current Account, 1982-93," *Survey of Current Business* 75 (October 1995), pp. 52,73.
5. Andrew Ross, ed., *Universal Abandon? The Politics of Postmodernism* (Minneapolis: University of Minnesota Press, 1988), pp. xiv-xv, quoted in David Hawkes, *Ideology* (London and New York: Routledge, 1996), p. 8.
6. Debt service burden from unpublished, unofficial Federal Reserve staff estimates. Debt as a percent of income from the Federal Reserve's *Flow of Funds* accounts, March 1996 diskette release.
7. Thanks to Dan Lazare for supplying me with these.
8. Jeremy Rifkin, *The End of Work* (New York: G. P. Putnam's Sons, 1995).
9. Computed from Bureau of Labor Statistics multifactor productivity data, disseminated at the BLS web site, http://www.bls.gov.
10. Karl Marx, *Grundrisse* (New York: Penguin, 1973), p. 690.
11. Karl Marx, *Theories of Surplus Value* (Moscow: Progress Publishers, 1963).

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A VIEW FROM THE TROUGH

by RICHARD LEVINS

We are now living in the trough between two great waves of revolutionary struggle. The first wave began in 1848 and ended in defeat with the fall of Moscow. The second wave is still incubating. The collapse of the Soviet Union and the East European bloc was a tragic defeat for all of us, not because these regimes were models of the society we want but because they and the political movements influenced by them were the focus of the first world-wide challenge to capitalist power, capitalist exploitation, capitalist morality, and culture. Only in the context of that challenge did corporations agree to bargain with labor, the U.N. recognized the human rights to employment, food, education and culture, self determination, women's equality, the illegitmacy of racism, and the rights of nations to autonomous development. After that collapse the New World Order rushes to deny those rights in theory as it always had in practice. It is no longer necessary to pretend respect for workers, and we see a new age of meanness in policy and in ideology. Lenin's anti-imperialist stance gave voice and form to the colonial liberation struggles that came almost to completion only after the second world war. Almost, because Puerto Rico remains a colony, a residue of the old colonialism even as the new cycle of colonialism begins. The

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new colonialism is imposed mostly through economic means but also through armed interventions.

After the Collapse we see the rush toward recolonization, as competition among the capitalists is released from the restraints of their common front against "communism" and they scramble for a new division of the world. Recolonization carries with it a revival of racism internationally and within our country. The upsurge in racism is not understandable as a psychological epidemic or the surfacing of long repressed human nature. It is a necessary correlate of the reconquest and redivision of the world. At home the open Nazis like John Metzger run interference for the David Dukes who run interference for the Pat Buchanans who run interference for the mainstream racists of moderation.

The socialist call for the full equality of women was never achieved either in the socialist countries or in the revolutionary parties. But women did win levels of participation not seen before; the socialist movement was a seedbed for left feminism, and the almost invisible accomplishments of the left show up again starkly as we see what happens after they are overthrown. For instance, Ingushetia, the autonomous region of Russia next door to Chechenya, now free of Soviet rule, has won the freedom to decriminalize polygamy and the sale of women in marriage. So in the new exuberant aggressiveness of world capitalism we see what communists and their allies had held at bay.

Finally, it was a massive defeat because almost all the socialist and communist parties have abandoned the struggle, their members scattered, some for the spoils of partnership, some to seek minor ameliorations of oppression under the slogans of "realism," some in anguish because history did them dirty, leaving a residue of despair and confusion even among many who struggled for decades with courage, imagination, and sacrifice for a better world that is not yet.

In a trough we can't see very far or identify what is immediately ahead. In any case Marxists have been notoriously unsuccessful in estimating the time it would take for major turning points. Marx expected a European revolution in the

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last century; but in 1916 Lenin wondered if he would see a revolution in Russia in his life time. Even in the bottom of the trough we can understand the sea and navigate by the stars.

The New York Marxist School (NYMS) is unique as a political-intellectual enterprise. It has survived the Reagan years and the defeats of the last period because of its unique commitment to combine principle and flexibility. It refused to generalize the experience of defeat into the impossibility of the struggle, the confrontation with the unexpected into an abandonment of historical materialism or turn present misery into the human condition. It did not escalate current confusions into a denial of the intelligibility of the world It did not embrace fashion on the left in order to be "with it" nor use the movement's weakness and disarray to retreat into academic word games. At the same time it did not defend a hermetically sealed fortress against new ideas and challenges. It is in this spirit that I offer a few thoughts about the trough and what we have to do.

I expect a new wave of upsurge because capitalism is not only what it has always been, but is more so now without the restraints imposed even by flawed non-capitalist states. It is less able and less willing to confront the challenges of environmental deterioration, new and resurgent diseases, chronic unemployment even during times of prosperity, the volatility of a business cycle mediated by financial instruments several steps removed from production, and a growing gap between rich and poor.

With the renewed intensity of international competition it has revealed a franker, more cynical viciousness in the recolonization of the third world and in waging the global class struggle against all workers. It has celebrated the spread of democracy while inventing new techniques for commodifying elections and thwarting real democracy. Its technological ingenuity makes possible the deeper penetration of the commodity relation into all corners of our lives, producing immense profit but also growing uneasiness.

The United States is fast becoming a second rate economic power while remaining a first rate military, police,

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and public relations power. This creates a specially dangerous situation, since it cannot but use its superior repressive power to strive for economic domination.

All of this makes it necessary for people to engage in struggle one way or another. Class struggle in fact does intensify: by the bosses through down-sizing, speed-up, contracting out, two-tiered wage structures, union busting, take-backs, and relocation; by workers, often in individualistic ways. Illegal immigration, the massive theft from U.S. businesses by their under-paid and alienated employees, and robbery and street crime by the unemployed are but three modes of redistribution undertaken by the subjects of capitalism seeking to offset the growing concentration of wealth and callousness in the use of its power.

Necessity alone is no guarantee of success in confronting those necessities. However, people do perceive the intensifying problems through which the reality of our lives contradicts the pretensions of the society, and what is is no longer automatically accepted as what must be.

I think a second revolutionary upsurge will come because I see the first signs of it: there is a disillusionment with the triumphalism of global capitalism even in Poland and Russia as people begin to see that all the lies they were fed about capitalism by their censored media turned out to be true. French workers are asking whether the new Europe will be a new Europe only for the exploiters.There is a blooming of local peoples' organizations all over the world struggling for environmental justice, equality, health, and education. A recent directory lists 700-800 environmental organizations of people of color in the United States alone.

In the many conferences I attend I see that cold war redbaiting has been losing much of its power to terrify as people raise issues which would have been forbidden ten years ago because they implicitly clash with the norms of the market. There is rage in Peoria today at the Caterpillar plant, and rage in the human service professions at the callousness with which the new stinginess condemns education, health care, social service, and science to frustrating inadequacy. There are not

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quite winds but at least fresh breezes in the U.S. labor movement. Even in universities, which were to some extent buffered against the worst excesses of the marketplace, business considerations increasingly overwhelm educational and intellectual concerns. And it is at least noticed. There is awareness of the increases in the numbers and remuneration of administrators compared to faculty and staff, increased reliance on part time and temporary teachers, increased teaching loads, and repeated efforts to undermine job security that express a creeping proletarianization of what were once "free professions." And there is an increase in solidarity with Cuba not only because it is a target of aggression but also because it is an example of hope that things can be done differently.

But these glimmerings are still only incipient. We are at the cusp of a real historical discontinuity. We can see only hazily across that boundary. We cannot predict outcomes or events but only identify the contradictions that are developing, the problems that have to be confronted again and again until some resolution is reached. We do not know what roles self conscious Marxists or the religious left will play in the new movements, how much it will remember from the past or have to learn anew. We do not know how movements for specific causes or on behalf of particular oppressed constituencies will relate to political movements that embrace all the liberating struggles. We do not know what relationships will arise between the political movements and their intellectual organs that best combine the needs for responsible engagement, the mass mobilization of a collective intelligence, and the relative autonomy of innovative inquiry. We do not know what new holidays will bring us to the streets or the beat of the new songs.

But without knowing the shape of the future we can still identify some of our tasks:

1. Assist in the revival and growing clarity of popular struggles, helping the new movements to broaden their vision, to understand the context of their immediate situations and the lessons of past struggles that they can draw on. The long view is vital in sustaining the short term and local struggles in

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the face of countless disappointments and frustrations, anticipating the pressures of our adversaries to divide and coopt, and in discovering the common ground between different struggles for justice when they seem to conflict because each asks too little.

2. Combat despair. As against the retreat into nationalism we reaffirm our internationalism, maintain ties among revolutionaries across borders, pool our experiences and ideas, and work for joint strategies. We uphold special solidarities with Cuba and Puerto Rico. Puerto Rico because as one of the last of the old colonies it may spearhead the resistance to the recolonization of the Third World. Cuba because it is the one society which has retained a revolutionary commitment although having to make concessions to global capitalism. Even as it retreats in some spheres of life it leads the world in others, in the vision of an ecological society and the development of socialist democracy.

As against individualism we learn from left feminism to examine the much ignored areas of the personal in society, explaining how our individual miseries are not ours alone, how the commonly marketed solutions to personal fulfillment fail to address the roots of the prevailing miseries and wasted talents. We at least can raise and explore the contradiction between the personal responsibility that is a prerequisite for tolerable and even joyful lives despite an intolerable society and the social causation that places our own situations in perspective and identifies the targets of our public struggle.

As against the ideologies of despair, we challenge the theories that misuse linguistic analysis or the mathematics of chaos to proclaim the impossibility of understanding the world. We challenge the misues of the real uniqueness of every place and every person to deny the possibility of general theories about anything. We challenge the misuses of the awareness of science as a social product to argue that all theories are equally invalid and the categories of science just objects of discourse. We challenge the fatalistic arguments of the genetic determination of inequality or meanness or aggression. We do all this by showing the political instrumen-

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tality of such ideas and locating them in the history of ideology. We do this also by confronting them with a dialectical understanding of the relations between chance and determinacy, the general and the particular, the partisanship and objectivity of science, the internal and external in causation. Dialectical materialism is a practical, urgent weapon in building a movement by providing a better way to understand the world and ourselves in it.

3. Faced with the dismissal of Marxism as obsolete even by some progressives, we reaffirm a militant Marxism. Rather than shrinking it down to merely a humane economics in order to gain respectability we broaden the scope of its engagement to confront all the ideologies of aggressive capital in all aspects of our existence. Only an honest, creative, and self-critical Marxism can survive to play a vital role in the coming struggles.

a) As a matter of theoretical coherence, practical necessity, and intellectual integrity we have to examine the history of our movement and understand the defeat it suffered. We have to examine the world and national conditions that besieged socialism and made it vulnerable to its enemies. We have to examine the ins and outs of Rosa Luxemburg's paradox, the contradictions that arise from building the new with the materials of the old.We have to look at the beliefs and practices that undermined socialism's development from within. This includes an honest appraisal not only of our errors but also of our crimes. Errors are misjudgments in the service of our agreed-upon program, unnecessary compromises or pompous refusals to compromise, faulty estimates of our progress and the enemy's weakness, passive acceptance of capitalist ways of doing things in the hope that they could be domesticated to socialist ends. Crimes are violations of socialist democracy, socialist legality, revolutionary humaneness, and that fierce honesty which is basic to the commitment to liberate and mobilize the collective intelligence of all the oppressed. Crimes are the debasement of Marxism to apologetics, the use of force to settle disagreements within the revolution, the covering up of corruption.

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In dealing with the crimes committed in the name of communism we cannot opt for the easy solution and simply expel Pol Pot, and Beria and so on from our ranks, deciding that they weren't good communists after all and surely had nothing in common with us. That way we shed responsibility, feel good about ourselves and learn nothing. There is, of course, truth in the claim that these horrendous episodes are not communism but distortions of communism just as we might say that corn smut is not corn but a *disease* of corn. But there is also the other side of it: corn smut is a disease of *corn*, not of tomatoes or orange trees. It could only take hold in a vulnerable substrate, and our task must be to understand how to eliminate that vulnerability before we can expect people to take another chance. Thus we affirm the dual propositions: the triumph of centralism over democracy, the suppression of dissent among revolutionaries, the turning of labor from a rehabiliation process into a cruel punishment, all of these are not communism but *distortions* of communism; but also they are distortions of *communism*.

b) Openness to new ideas. Just as Marxism acknowledges its debts to English political economy, German philosophy and French socialism so it must also welcome the insights of feminism, national liberation and anti-racist struggles, and ecology. These are not alien to Marxism. Militants in all of these struggles include Marxists, people who were familiar with Marxism, people who passed through Marxist parties. Marxist thought has left its imprint on all of them. Marxist thought was also familiar with and influenced by feminism, nationalist thought, ecological ideas. All of these movements have overlapped in ideas and people and will continue to do so.

c) Openness to new phenomena, to changes in our society and in the ways people confront that society, to new patterns of consciousness. Alertness to the new must be rooted in our understanding of the past so that we don't go around proclaiming new paradigms capriciously or declaring ideas obsolete because they were written in the last century or because they seem to go against the trend of the moment. The

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decline of employment in the traditional basic industries of steel, coal and autos does not mean the end of the working class in a country where the overwhelming majority of the people still live by selling their labor power. The diversification of forms of exploitation in Africa and Latin America beyond simple extraction of minerals and agricultural produce does not mean the end of imperialism. The failures of overly centralized planning of the economy does not make the market the only alternative to stagnation.

But without a self-conscious rush to be revising Marxism we do have to note the new: the massive and pervasive threats to the integrity of our biosphere, new patterns of linking local hierarchies to transnational corporations, changes in the technical structure of industry and finance, new kinds of grass roots organization popping up all over, a new willingness of people to go beyond challenge to local abuses.

We have to examine and invent new forms of struggle, all aimed basically at changing consciousness and building solidarity even when we are small and seemingly helpless. Revolutionary politics is not limited to storming the winter palaces. Any action that pushes back the boundaries of the permissible, that legitimizes thinking and questions the unquestionable, that strengthens our own capacity to analyze and organize and that tightens the ties that unite us for the long haul, that invents ways of broadening participation and that undermines the crippling burdens of racism and sexism and homophobia and hierarchical posturing within our own movements, is revolutionary practice.

Nor do I put down what is derisively called "preaching to the converted." We converted need lots of "preaching", lots of analysis, education, encouragement.

From the bottom of the trough we need to see the present moment in perspective, to know that it isn't over, that even when exuberant capitalism wins big victories these do not solve its problems. The problems return even more sharply. Therefore the struggle will surge again, and we will add new pages to our songbook. I expect to see you there.

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THE ROAST BEEF OF OLD ENGLAND

by JOHN NEWSINGER

There is something richly symbolic in the way that the closing months of Conservative rule in Britain seem likely to be dominated by a public health scare that has, at least temporarily, crippled the beef industry. The seventeen years of Conservative government, first under Thatcher and now under Major, have climaxed with British beef, one of the essential constituents of British national identity as far as the right are concerned, regarded as unsafe and banned from world markets. An unknown number of people are believed to be already fatally infected with Creutzfeldt-Jacob disease (CJD) as a result of consuming beef and beef products. Estimates of the number of deaths that we can expect vary from 500 to 500,000 a year. Conservative policies of de-regulation, of setting market forces free, have apparently turned the roast beef of Old England itself into a slow acting poison. If the worst prognoses are true, Britain is set over the next ten years to become a public health disaster zone, providing a terrible warning for the rest of the world. How did this situation come about?

The origin of Bovine Spongiform Encephalopathy (BSE), or "mad cow disease" as it is popularly known, in British cattle lies in the Thatcher government's decision to allow the

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animal feed industry to become more self-regulatory. Proposals for tight controls over the processing of animal protein that had been prepared under the previous Labour government were dropped and instead ministers decided that the industry itself should decide how best to manufacture meat and bone meal feed. Accordingly, in 1981 the Minister of Agriculture, Peter Walker, signed the Diseases of Animals (Protein Processing) order. He was later on his retirement from politics to join the board of directors of Dalgety, among other things an animal feed manufacturer.

This decision to allow self-regulation was taken against scientific advice. In late 1979 the Royal Commission on Environmental Pollution had prophetically warned of "the risk of transmitting disease-bearing pathogens to stock and thence to humans." This warning was ignored in the interests of profit.

Feeding cattle on boiled down animal parts (sheep and other cattle) in the form of meat and bone meal feed predated the 1980s. What changed with de-regulation was that the industry lowered the temperatures at which rendering was carried out to sometimes less than 100°C. The result was that sheep scrapie was passed on to cattle in the form of BSE and was then spread as the parts of diseased cows were themselves converted to animal feed. The results of this have been catastrophic.

The presence of BSE in British cattle first became known in 1986 and the Ministry of Agriculture predicted something like 20,000 cases before it was eradicated. To date the number of confirmed cases has been in excess of 160,000 and this without any doubt seriously understates the extent of the infection. 1992 was the worst year with 35,000 confirmed cases and the incidence of the disease among young cows has hardly declined at all since then. The failure of the government to first of all contain and then eradicate the infection, is a direct result of the way it put profit and free market ideology before public health.

While BSE was first identified in 1986, it took another eighteen months before it was made a notifiable disease, and

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not until August 1988 was the slaughter of infected cattle ordered. Meat and bone meal feed was identified as the source of the infection at the end of 1987 but it was another seven months before the government prohibited its use. The persistence of the disease is generally believed to indicate that this prohibition was widely ignored. Incredibly it was not until November 1989 that the government prohibited the use of bovine offal in human foods. These regulations have been periodically tightened up. Every time BSE has got into the news, the government categorically denied that the disease could cross the species barrier *and* tightened the regulations. In 1993, for example, the recovery of meat from backbones was prohibited.

At the same time as regulations have been tightened, the slaughter houses have been de-regulated so as to make it increasingly difficult to ensure compliance. Under the government's own Hygiene Assessment System, in 1994 50 percent of slaughterhouses scored less than 50 out of 100, 80 percent scored less than 70 and only 1 percent more than 90 out of 100. Spot checks showed that 48 percent of inspected slaughterhouses failed to meet the bovine offal regulations. The slaughterhouse inspectorate is still being cut back as the government prepares to introduce tax cuts in the run up to the next general election.

One significant feature of the crisis has been the way the government has tried to hide behind carefully chosen scientific opinion. Scientists whose views confirmed what the government wanted to hear were handpicked to provide a scientific legitimation of its position. They consistently argued that British beef was absolutely safe and that anyway BSE could not jump species. One Conservative minister, the particularly obnoxious John Gummer, actually appeared on television force-feeding his daughter a beef burger.

Those scientists, such as Professor Richard Lacey and Doctor Harash Narang, who argued a contrary view were marginalised, discredited, and had their research funds stopped. Doctor Narang, for example, was working on a test for BSE that would identify the disease before symptoms

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appeared. This was his downfall: such a test would have shown the infection to be far more widespread than the government was prepared to admit. The costs of compensation would be too great and so instead the situation was played down. As early as 1990 Narang argued that there was evidence that BSE could cross the species barrier and infect humans. He was ignored, lost his job, and has since had his car tyres repeatedly slashed, his brakes interfered with and his home burgled and his papers rifled.

Not until 20 March 1996 did government ministers at last admit that there was evidence that BSE could infect humans, that there were ten cases of a distinctive form of CJD in young people where eating beef or beef products was a likely cause of infection. This was a bombshell, particularly after years of categoric denial. The ensuing panic saw beef sales in Britain plummet (even McDonalds' stopped buying British beef) and British beef was banned from world markets.

Since then the government has attempted to counter-attack, both to ensure its own political survival and to support the beef industry. The two concerns are closely related as over forty Conservative MPs including some government ministers are farmers. Now they tell us that beef might have been slightly unsafe in the 1980s, but this certainly wasn't the government's fault. Indeed, as fast as the scientists identified any danger, the government introduced the necessary measures to deal with it. Today British beef is once again 100 percent safe and everyone should eat as much of it as possible. The Minister of Health, Stephen Dorrell, actually went so far as to say that not eating beef showed that the consumers were mad, not the cows. While he insisted that his own children were eating beef, his mother-in-law told the press that they certainly were not. The revelation that the House of Commons kitchens were supplied with beef from a BSE-free herd did little to reassure those sceptical of official assurances.

The insistence that British beef is safe has been accompanied by a Government sponsored propaganda campaign against the European Union for banning beef imports. Completely ignoring the fact that most of the world has banned

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British beef, including the United States and even Hong Kong, still a colony, the Conservatives have attempted to save themselves by whipping up anti-European, particularly anti-German, hysteria. Government ministers, including Gillian Shepherd, the Minister for Education, have even objected to the use of Beethoven's Ode to Joy as the official anthem of this year's European Football championship because the composer was German.

The right wing tabloid press, with Rupert Murdoch's newspapers leading the way, have competed in the discharge of jingoistic and xenophobic filth. On 22 May, for example, Murdoch's *Sun* newspaper, Britain's best-selling tabloid, warned its readers of "a showdown" with the European Community "on a scale rarely seen since the Battle of Britain." The beef ban was forcing "us to fight to save our traditions and freedoms." The paper urged its readers to harass German tourists . . . and even to boycott German pornographic films!

The scientific evidence remains inconclusive, but the fact remains that the men who are saying today that British beef is safe are the same men who said it was safe in the 1980s and who argued that BSE could not infect humans. The government consistently minimised the problem and failed to take adequate measures. Whatever the final death toll, whether it is hundreds or hundreds of thousands of lives, what we have seen in Britain is a dramatic instance of profit, free market ideology and political expediency being put before the concerns of public health with the result that a fatal brain disease has entered the human food chain. One can only hope that we and our children do not have to pay the final price of Conservative rule.

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THE LEFT-LIBERAL CONSENSUS ON JAPAN: A METHODOLOGICAL AND POLITICAL CRITIQUE

by MARTIN HART-LANDSBERG AND PAUL BURKETT

Although most Americans are angry about the deterioration in their living and working conditions, mainstream analysts and decision-makers have nonetheless been remarkably successful in convincing them that only free-market policies can ensure the economic competitiveness required to achieve victory in the global marketplace and a reversal of negative trends. Many progressives have understandably responded to this successful ideological offensive with a strategic retreat and regrouping. Hoping to win a wider hearing for progressive policy initiatives, including a defense of past reforms, many are trying to craft new programs, and arguments for them, that will prove politically viable in the present conservative climate. One outcome of this effort has been the willingness of progressives to formulate and defend their new reforms not on the basis of their ability to advance an anti-capitalist political agenda but rather for their ability to improve working class conditions by enhancing the nation's economic performance.

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We want to deal with one very important aspect of this progressive competitiveness thinking: the framing of policy proposals in terms of the superior, and purportedly more humane and socially progressive, competitiveness of certain national capitalisms in whole or in part. We focus, in particular, on the increasingly common use of Japan as a positive reference point for both left and liberal reform proposals.

Our discomfort with this emerging left-liberal consensus (LLC) on Japan is caused by the conflict we see between progressive characterizations of Japanese institutions on the one hand, and the exploitative, patriarchally oppressive, and even socially irrational reality of these institutions on the other. As we will argue, this misleading characterization of Japanese capitalist practices is largely the result of a flawed understanding of the Japanese experience. Even more importantly, we also believe that this consensus, based as it is on a non-Marxist, non-holistic, and ahistorical understanding of Japanese capitalism, leads to a seriously flawed approach to advancing political change in the United States.

The Methodology of the Left-Liberal Consensus

Liberal policy advocates who oppose the current rightward movement of U.S. economic and social policies tend to believe that current economic and social conditions could be improved if the state played a more active role in the economy, and business adopted more cooperative workplace relations. To defend this position, they often point to the experience of other advanced capitalist countries which have, in their opinion, adopted this liberal policy agenda. Japan is one of their most popular examples.

Japan is widely considered to have outperformed the United States on a wide range of economic measures, including trade, investment, productivity, growth, unemployment, and income distribution. What makes the country a positive reference point for liberals, however, is their belief that this outstanding economic performance is the result not of free-market policies, but rather of an investment regime based on stable, long-term planning and a work model based on mutually beneficial labor-management

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relations. The Japanese experience is thus taken as proof that cooperative relations between workers and managers, and business and government, are the best way to achieve international economic competitiveness which in turn is the best way to guarantee a rising and sustainable standard of living for working people. For many liberal scholars and policy analysts, then, improving the performance of the U.S. economy does not have to come at the expense of the well-being of the American people; both can be achieved by making investment and work practices more like those of Japan.

Significantly, growing numbers of leftists have come to accept this liberal characterization of the Japanese capitalist experience, even while continuing to reject capitalism, reformed or not, as their ultimate objective. In fact, many have added another reason for viewing Japan as a positive reference point, claiming that Japanese investment and work practices generate, in contrast to U.S. practices, a non-militaristic form of international expansion that offers benefits to the third world.

Apparently convinced that it is currently impossible to win popular support for an alternative social project, these left scholars and activists no doubt hope that public awareness of the Japanese experience will lead Americans to turn against current U.S. practices which were themselves justified according to the mainstream standard of economic competitiveness. Thus, for these leftists, the immediate task appears to be one of mobilizing working people to demand a reformed capitalist system. Once having shattered free market myths, they would presumably seek to engage people in debate over the desirability of transforming capitalism itself.

We believe that left scholars and activists make a serious mistake when they join with liberals in viewing Japan as a positive reference point for transforming U.S. capitalism. We say this because, as we shall show next, the LLC characterization of Japanese capitalist investment, work, and globalization practices is seriously misleading.

The Japanese Investment Regime

Those who accept the LLC on Japan almost always argue that Japan's superior economic performance can, in large

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part, be explained by the country's rapid rate of industrial capital accumulation, which is itself the result of a traditionally high household savings rate and the efficient allocation of these savings into highly productive private and public investments. In the United States, by comparison, the household savings rate is lower, and a larger portion of savings are channeled into unproductive activities which erode or at least fail to enhance labor productivity and competitiveness.

As an explanation for Japan's allocative efficiency, the LLC cites the country's celebrated government-directed credit policies as well as the relative patience and mutual commitment of investment fund suppliers and industrial fund users. Mutual commitments between Japanese banks and industrial corporations are said to be cemented through bank ownership of industrial-corporate stock and through shared directors, both of which help to insulate long-term corporate planning from short-term speculative pressures.

The LLC paints an attractive picture of the Japanese investment regime. Unfortunately, it is a very misleading one. A more accurate picture makes it clear that attempting to reform U.S. investment practices along Japanese lines would be a serious mistake. For example, the LLC generally fails to note that Japan's traditionally high household savings rate is rooted in high housing and other consumption costs (due to the orientation of domestic production toward capital goods and exports) as well as in the need for workers to finance their own income maintenance and retirement schemes (because of the relative lack of social consumption and welfare programs).[1]

The relative patience and mutual commitment of Japanese firms must also be placed in its class context. Without doubt, the long-term and stable nature of Japanese investment planning is intimately related to Japanese capital's dominant position over the Japanese working class. This domination was (re)consolidated, it should be added, largely because of United States occupation policies which helped Japanese capitalists and their state allies defeat a massive anti-capitalist popular upsurge in the period immediately following the end of the Second World War.[2]

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In spite of this class domination, however, and contrary to the impression given by many LLC analyses, postwar Japanese industrial growth has been driven by a wasteful and crisis-shaped process of scrap and build industrial accumulation.[3] The first scrap and build cycle began in the mid-to-late 1960s, when rapid economic growth (supported by light-industrial exports produced by low-waged, predominantly female workers) pushed wages in light industry too high for continued profitable domestic production. Japanese capital responded by scrapping and relocating these industries to other East Asian countries. In their place they built new materials-dependent heavy and chemical industries (steel, chemicals, etc.). Most Japanese light-industry workers were either expelled from the wage-labor force or forced to seek employment in Japan's bloated, ultra-backward service sector, thus reproducing the severe segmentation of the Japanese working class by gender and education.

This basic cycle was repeated again after 1973, when increased prices for imported oil and other raw materials undermined the profitability of Japan's new core industries. Since an easy domestic solution to this crisis was ruled out by the activities of Japan's environmental movement, Japanese capital shifted its dirty and import-dependent heavy and chemical industries to the Asian periphery and built a new export-oriented industrial core around transport and electrical machinery industries. This inter-sectoral restructuring and the funds required to finance it were once again obtained largely via an assault on the working class, including in this stage an expansion of temporary labor and subcontracting systems.

As before, however, the competitive "success" of this cycle was itself eventually self-destructing. The growth in machinery exports led to intensified protectionist pressures from the United States and other core capitalist countries. Japanese capital and state functionaries responded to the resulting mid-1980s "high yen crisis" by initiating the third stage of the scrap and build cycle. This time machinery production (especially cars, appliances and more stand-

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ardized components) was shifted to new locations (in the United States as well as in Asia), and domestic investment was channeled more narrowly into the production and export of less standardized, more knowledge intensive components and information based activities.

Significantly, however, this industrial transformation did not succeed in restoring earlier profit margins. As a result, Japanese firms appear to have begun a new cycle, this one based on a further shift of production activity to Asia and, for the first time, the re-export back to Japan of both consumer goods and industrial components. These trends highlight the fact that Japan is now facing the industrial hollowing out of its economy.

Having misunderstood the logic of Japan's industrial development, it is not surprising that the LLC has also misunderstood the significance of recent Japanese financial developments. It incorrectly views the trend towards financial liberalization and financial instability, including the rise and fall of the "bubble economy," as exogenous to the post-war development of the Japanese investment regime. In reality, this financialization of accumulation is, as in other core capitalist economies, largely a response to the maturation of Japanese capitalism and the resultant emergence of an increasing excess of potential surplus over productive and privately profitable domestic investment opportunities.[4]

The Japanese Work Model

The LLC also credits Japan's labor-management relations for the country's superior economic performance. Singled out for special praise are the institutional mechanisms which allegedly promote worker loyalty, cooperation, participation, high productivity, and rising real wages. Among the most important is the combined use of lifetime employment guarantees with productivity- and seniority-based wage incentives.

The Japanese work model appears considerably less progressive, however, once it is viewed holistically. This is true even for the privileged minority of core workers. For example,

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their "lifetime employment" ends in forced retirement at around 55 years of age. With no national social security system, the great majority of these retired workers therefore have little choice but to seek employment at smaller subcontracting firms (or in the least privileged positions in core enterprises) at much lower wages.

The LLC also holds that the reason Japanese core corporations are so successful in securing maximum work effort and loyalty from their permanent employees is that they, in contrast to U.S. firms, are willing to offer positive incentives to achieve the desired behavior, including accelerated wage scales, housing allowances, and retirement bonuses. But this one-sided view ignores the threat core workers face of being prematurely pushed out of the core and into the peripheral low-wage sector. From a class perspective, both the positive and the negative incentives built into core labor-management schemes appear to be designed to raise workers' material insecurity to the point where they will accept work hours and labor intensities that would be unacceptable to U.S. workers.[5]

Similarly, although the LLC views the apparent insulation of Japanese corporations from short-term financial pressures as one of the more positive features of the Japanese capitalist system, it ignores the fact that some of this insulation is achieved by using subcontractors as a buffer for cyclical and financial pressures. Insofar as the relative insulation of Japanese corporations from budgetary pressures is gained at the expense of increased insecurity and immiseration for workers in the smaller subcontracting enterprises, it represents a transfer of these pressures downward in the corporate (and class) hierarchy rather than a net reduction of these pressures. Recently, pressures by the big corporations on their subcontractors have reached an historic extreme, producing a wave of bankruptcies among small- and medium-sized enterprises and a growing unemployment crisis.[6]

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The Japanese Globalization Model

Leftists associated with the LLC have also ranked Japan's investment and labor-management systems superior to those of the United States on the grounds that they lead to a more progressive process of economic globalization. They argue, for example, that while Japan is drawing East Asian countries ever more tightly into its own network of finance, technology, and trade, it is also helping them to develop their own forces of production.

In making this argument, however, the LLC pays little attention to whether Japan's scrap and build pattern of domestic and international economic activity is rational from the viewpoint of Japanese workers. The implicit assumption seems to be that what is rational for Japanese capital is rational for the Japanese people. Left unaddressed is the fact that Japan's competitive success has not protected workers from growing economic insecurity as big business continues to demand new cuts in real wages, further increases in labor intensity, and maintenance of long work-hours, all in the name of still greater competitiveness.[7] Also unaddressed are possibilities for instituting alternative programs involving increased social appropriation and allocation of the fruits of labor productivity and the ecologically friendly restructuring of "dirty" industries.

For similar reasons, we also do not find Japanese globalization to be progressive from the standpoint of the peoples of the Third World. Japanese transnational manufacturing, mining, forestry, fishing, and agricultural operations are known world-wide for the absolute ruthlessness with which they exploit local workers and the natural habitat.[8] Moreover, a growing share of Japan's recent foreign investment has been concentrated in financial and commercial real estate activities, including construction of hotels, golf courses, and the like, in connection with the development of vacation spots for higher-income Japanese professionals and managers — with the sex industry being a major beneficiary of such activity.

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Workers in third world countries (and many workers even in other core countries like Australia, where Japanese capital is very prominent) wind up serving the luxury consumption needs of the Japanese elite before addressing their own more basic needs.[9]

It remains to address briefly the issue of militarism. Some leftists have argued that Japanese capitalism represents an historically progressive form of capitalism because, unlike U.S. capitalism, it does not depend on militarism to support its internal or external growth. We disagree. We must not forget that Japanese capitalism, having been formed in the imperialist late nineteenth century, began with greatly accentuated military and economic expansionist tendencies which led to its violent attempt to create an East Asian empire. It is also worth recalling that the post Second World War recovery of Japanese capitalism occurred symbiotically with the evolution of U.S. imperialism, as the United States, in order to redistribute the costs of its own hegemonic activities, encouraged and supported Japanese elite efforts to reconstitute its East Asian sphere of influence. This symbiotic development also included the economic jump-start that Japanese capitalism received from U.S. military spending associated with the Korean and Vietnam Wars.

Japan now possesses a modern military machine based on the second largest military budget in the world. Moreover, developments such as Japan's participation in the 1992 Kampuchean peacekeeping operation in direct violation of Japanese constitutional law have justifiably raised fears throughout Asia that this military machine is being prepared for active use.[10] While we are certainly not predicting an imminent full-scale resurgence of Japanese militarism, it does remain an open question whether Japanese capital can continue to dominate its own regional periphery without the supporting military-political infrastructure that has up until now been provided by the United States.

In short, the notion of economic competitiveness and power without the ability to project military force should be viewed as a developing contradiction in Japanese capitalism

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and imperialism, not simply as a given established fact. How this contradiction will work itself out is, for now, impossible to predict.

Political Critique of the Left-Liberal Consensus

In our opinion, the LLC attempt to build a progressive political-economic project on the basis of non-holistic and ahistorical interpretations of the key underpinnings of Japanese competitiveness is not only methodologically flawed, it is also politically dangerous. One reason is that this attempt implies that if capitalists and state-policy makers think and behave rationally, they will see that progressive competitiveness reforms are in their own interest and therefore deserving of support. This view of reform possibilities is not only wrong, it also leads to a technocratic approach to politics that minimizes popular mobilization and emphasizes the formulation and provision of policy advice in and through elite-level think tanks as well as participation in establishment media and politics.

Unfortunately, the LLC's demobilizing tendencies are not limited to its technocratic bias. To see this, it is necessary to recognize that by accepting capitalist competitiveness as a valid criterion for, or constraint on, progressive visions, LLC-type thinking is forced to redefine what is feasible and progressive in line with the latest uneven developments in national capitalist competitiveness.[11] Not surprisingly, positive LLC treatments of Japan rarely mention the fact that Sweden and Germany were once the primary models for left-liberal visions of a humane and efficient capitalism. These countries have become less attractive, however, now that pressures, contradictions, and profit opportunities created by global overaccumulation, stagnations, and capital restructuring have encouraged their own respective ruling classes to reshape their domestic political economies according to U.S. standards.[12] LLC-type perspectives and strategies are thus on a greased incline leading from European social democracy to

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Japanese capitalism. With Japan's growing economic difficulties in the 1990s, the next stop is unclear.

To appreciate the political limitations inherent in the LLC, one has only to imagine what would happen if workers in Japan were to begin effectively organizing to challenge and transform Japanese capitalism. The progressive movement here (insofar as it has been influenced by LLC-type thinking) would be placed in a most difficult position, unable to explain or even acknowledge such a development, because to do so would undercut its own arguments that Japan has systems (or at least some crucial systemic features) that are workable and superior to those in the United States. In short, LLC logic makes international solidarity difficult if not impossible to build.

To be clear, our objection to the LLC is not that it is interested in policy but that its proposals are divorced from any attempt to mobilize people in a way that, while helping to defend their immediate interests, simultaneously generates an alternative vision of society. The result of LLC efforts is thus a chimerical picture of a capitalism that can be technically restructured in such a way that its major problems can be solved without a revolutionary push beyond capitalism. This mirage is concocted by deriving both the problems of U.S. capitalism and their solutions from other "better" capitalisms, in an ahistorical and non-holistic fashion.

By contrast, we believe that in order to effectively serve popular struggles for a better world, we must ensure that capitalism's priorities do not determine our own priorities and strategy. This means that our values (in particular those involving our conceptions of individuality and collectivity, solidarity and competition, security and meritocracy, peace and justice, etc.) must be consciously articulated before we consider the best means to achieve their fulfillment. This effort, insofar as it is informed by, and firmly rooted in, the struggles of working people, need not involve any utopian moral reductionism or moralistic exhortation.

Once our values and visions are historically rooted and thereby clarified, they should serve as both inspiration and

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guidance for the development of our political strategy and policy proposals. This value base is absolutely essential, for without a clear sense of vision, there will always be a tendency for capitalist values to fill the resulting vacuum. And when that happens, we find, as in the current era, a strong tendency for the immediately possible to displace, or to be redefined as, the historically progressive. With capital becoming less and less accommodative to anything other than its own profit-driven priorities, we need to expose the social irrationality of these priorities and work to build a movement capable of envisioning and fighting for an alternative global system.

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3. Steven, "The High Yen Crisis in Japan," *Capital & Class* 34 (Spring 1988); *Japan's New Imperialism* (Armonk, N.Y.: M.E Sharp, 1990).
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6. Norihiko Shirouzu and Michael Williams, "Pummeled by Giants, Japan's Firms Struggle With Change," *Wall Street Journal*, July 25, 1995, pp. A1, A5; David P. Hamilton, "Japanese Economy Shows Signs of Life, But Job Losses Rise," *Wall Street Journal*, December 27, 1995, p. A6; "Japan: One in Ten?" *Economist*, July 1, 1995, pp. 26-7.
7. Dassbach, "The Japanese World of Work;" Hideo, *et al.*, "Myths of the Managed Society," Itoh, "Is the Japanese Economy in Crisis?"; Ben Watanabe, "Promise of Lifetime Employment is Disappearing in Japan," *Labor Notes*, No. 170, May 1994 pp. 1, 13; Michael Williams, "Japan's Labor System Survives Recession," *Wall Street Journal*, November 8, 1994; Labor Research Association, "Japanese Workers Feel the Squeeze," *Economic Notes*, 62, No. 3, March 1994, p. 7, and "Competitiveness Hits Japanese Labor," *Economic Notes*, 64, No. 1, January 1996, p. 6.

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8. Jon Halliday and Gavan McCormack, *Japanese Imperialism Today: Co-Prosperity in Greater East Asia* (Harmondsworth, Middlesex, England: Penguin, 1973); Steven, *Japan's New Imperialism;* Michael C. Howard, "Introduction," and Rene F. Ofreneo, "Japan and the Environmental Degradation of the Philippines," in *Asia's Environmental Crisis,* Michael C. Howard, ed. (Boulder, CO: Westview Press, 1993).
9. Gavan McCormack, "The Price of Affluence, The Political Economy of Japanese Leisure," *New Left Review,* n. 188 (July/August 1991), pp. 130-2; Tsuru, *Japan's Capitalism,* pp. 201-4.
10. Ikeda Itsunori, "Giving the SDF New Fangs," *AMPO* 25, n. 2 (1994), pp. 7-9.
11. Leo Panitch, "Globalization and the State," in *Socialist Register 1994: Between Globalism and Nationalism,* Ralph Miliband and Leo Panitch, eds. (London: Merlin Press, and New York: Monthly Review Press, 1994).
12. Peter Cohen, "Seden: The Model That Never Was," *Monthly Review* 46, n. 3 (July-August 1994).

(Continued from inside back cover)

forseeable future? If not, what chance is there that the European left, or any other left for that matter, will ever again be able to enjoy the luxury of cohabitation with capitalism, whether regulated or unregulated? This is the question that all non-paleolothics must sooner or later face up to. In this space next month we will return to this question.

A note to our Boston area readers: if you would like information about a group forming to discuss *Beyond Capital* by István Mészáros contact the organizer at (617) 713-8725.

We would also be interested in hearing from our other discussion groups around the country. Drop us a note (mreview@igc.acp.org.) on your activities and we will give you a plug in an upcoming issue of *Monthly Review.*

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CORRESPONDENCE

Response to Lukin Robinson

by Ken Morrison

I am astonished! Here I thought that *Monthly Review* was a socialist, marxist-informed journal and then it publishes Lukin Robinson's "The Ontario Election and After."

Where is an analysis of the reality of governing in a non-sovereign province within a capitalist state? Where is the comparison of the Ontario New Democratic Party's performance during a period of economic crises in comparison with that of social democratic parties in Great Britain, Germany, France, and New Zealand under similar circumstances? Where is an exposition of the difficulties created for the NDP by its Cold War origins which led to its eschewing of extra-parliamentary political activity and to its organizational and ideological weaknesses. And finally, where is the acknowledgement that the 1990 NDP victory, a fluke based on a 38 percent popular vote, produced an inexperienced caucus and a weak front bench?

Yes, this government stumbled and bumbled around, especially in its early years, and I, for one, was frequently tempted to tear up my party card. Yes, it brought in the Social Contract that alienated the public service unions but that can also be seen as a brilliant, though badly handled, tactical retreat in the face of pressure from business. And, yes, it reneged on its election promise of public auto insurance, a promise unwisely made, and impossible to keep in the face of a rapidly rising deficit and the constraints imposed by the Free Trade Agreement. Yes, being in government exposed the NDP's weaknesses as lightning illuminates the night.

But the lightning should not have been so blinding that the only positive accomplishment of the NDP Robinson could see was its groundbreaking Labour Relations Act, since cancelled by the Tories. The NDP had many worthy achievements, among them an Environmental Bill of Rights, the Employment Equity Act, jobsOntario (North America's

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biggest infrastructure and worker training program), reforms in education, forestry, housing, and native justice, as well as support for public transportation, day care, women's centers and shelters, etc., now either threatened or cancelled outright. Most innovative was the NDP's quarterbacking employee buy-outs of several paper mills which otherwise would have closed down, thus saving many communities and thousands of jobs in Northern Ontario, a region in which the NDP won most of the seats, by the way.

Above all, the Rae Government was an honest government. The "scandals" over which Robinson gloats were products of inexperience and over-zealousness; none were about patronage, raiding the public purse or other forms of corruption. If anything, this government was over-principled, a pleasant change from the norm. Only the self-blinded have failed to acknowledge these achievements. Instead, they glory in its defeat. Apparently, they would rather see devastation wrought upon all but the most wealthy in our society rather than accept compromises and rather than cooperate with an impure, imperfect, left-of-center (but not left enough for them) party. At the moment, against three major parties of the Right, the NDP is the only substantial part of the Left in Canada. As such it is the only realistic political vehicle for working people and the progressive-minded. It has the potential of becoming the catalyst for a great coalition of labour, anti-poverty, and other advocacy organizations which will fight and defeat the Gingrich-inspired policies of the Canadian Right.

It is handicapped by its Cold War origins and by its aversion to using the powerful tool of Marxism in the struggle. It suffers from having the support of only a segment of the labour movement, with many unions and unionists still Gomperist in orientation.

And it suffers from the leftism of the likes of Lukin Robinson. Their divisive actions contributed to the defeat of the Rae government and, if continued, could become a factor in defeating the NDP government in British Columbia. The NDP was the victor in a recent close election in British Columbia. Theirs is a "burn to the ground in order to clean up the mess in the attic" strategy. Hitler came to power partly because of the division in the left. Will we not learn the lessons of history, leave destructive criticisms aside and work together to defeat the right?

Yes, to ensure future electoral victories for the left, we need a much deeper analysis of all the factors surrounding the NDP's five-year tenure in Ontario than offered to date, but the first priority must be uniting the left and developing a realistic short-term program for it. Both will require Marxist insights if the real lessons of the NDP's Ontario experience are universally productive. I trust *Monthly Review* will give priority to this challenge.

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Reply To Ken Morrison

by Lukin Robinson

1. Ken Morrison is correct that my article did not provide a balanced inventory of the NDP's five years of government in Ontario. That was not my purpose. If I had dealt with all the subjects he mentions, the article would have been two or three times as long and far beyond the length allowed by *Monthly Review's* editors; the published text was already abbreviated from the original. But some context for *Monthly Review's* non-Canadian readers would have been useful.

However, Morrison is mistaken in thinking that I gloated over NDP "scandals" -they were not in fact scandals but rather, as I called them, "gaffes and minidisasters"- and I don't know anyone who "gloried" in the NDP's defeat. But having been elected by a fluke, it was never likely to be re-elected. And its accumulated mistakes and capitulations, influenced as they were by the illusory hope of pleasing the voters and winning re-election, instead caused widespread demoralization among its supporters and made defeat a certainty.

2. The NDP never expected to be elected in 1990. This produced more than "an inexperienced caucus and a weak front bench." It produced a government which was wholly unprepared for the job, which had learned nothing from the experience of others, and whose economic ignorance and wilful refusal to understand the realities of the system were notorious. It had made promises which it had never bothered to analyse because it never thought it might have to keep them. A party which campaigns on hot air forfeits in advance the trust of its supporters, whose hopes and expectations it is bound to disappoint.

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The rapidly rising deficit was an excuse, not the reason for reneging on the promise of public auto insurance, and if the FTA made it impossible to implement the promise, this should have been foreseen and the agreement challenged. But it never was.

Similarly with the budget deficit. There is a right way and a wrong way of tackling the deficit. But the right way would require radical changes in the tax system, which in turn would mean challenging the federal tax system, since under Canada's federal-provincial fiscal arrangements the federal system largely determines the provincial one. Except for the reduction of federal-provincial transfer payments, there never was a challenge, not even a peep.

The social contract was part of the spending cuts, imposed in the name of "equality of sacrifice." Whereas the Tories have no use for such equality and make no bones about it, and the Liberals pretend to believe in it while flouting it in practice, for the NDP it meant that everyone, whether rich or poor, in summer or in winter, has an equal right to sleep on a park bench. The alternative program to achieve equal savings proposed by the coalition of public service unions was brushed aside. If anyone was guilty of causing "division in the left," the NDP was. As social-democratic governments have done in other countries, the NDP government in Ontario made itself for a time part of the right.

3. It would perhaps not be difficult to compare the NDP's record favourably with the record of the labour parties in Great Britain and New Zealand or of the socialists in Germany and France, since there is absolutely nothing left of socialism or even of social democracy in the former and precious little in the latter. But that is small comfort. The NDP suffers from all the vices and weaknesses of social democratic parties. It is not a working class party, it does not believe in class conflict, never mind conscious struggle, it has come to accept capitalism as inevitable, because "there is no alternative anyway", it shuns extra-parliamentary action and has no program for resisting the current capitalist offensive or for educating either itself or its supporters in what they are up against. Instead, it seems to believe in, and it certainly preaches, a natural class harmony which its beneficent wisdom will, when it is elected, make manifest. Compromise and accommodation are then elevated to the supreme political virtues.

The NDP is not even democratic, but is run by a self-perpetuating group of party bosses and big wigs who stifle all opposition. When in government, it excluded anyone who might ask questions or offer criticism. It wanted only people who would toe the line. If it now sanctions without yet actually taking part in mass protest

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against the Tory government, this is partly because such protests are being organized and taking place with or without its approval, partly because its adherents who are involved hope to guid and limit the protests along safe reformist channels -this so far has presented no difficulty, since there is as yet no independent left- and partly in order to retain and perhaps recover its diminished electoral base.

4. Morrison's underlying assumption is that the NDP's political and parliamentary activity and the political activity of the minor parties and sects to its left constitute the sum total of the left, and that electoral success is sufficient to ensure defeat of "the Gingrich inspired policies of the right." It follows that support of the NDP at election time, avoiding all "destructive criticisms," is the number one priority, no matter what the NDP's record or program may be. He cannot imagine that the NDP may be part of the problem rather than part of the solution.

This view is clearly wrong. A political party must have a base whose interests it serves or pretends to serve and whose views and opinions it reflects and at the same time tries or should try to mold. The Liberals and the Tories, indeed all ruling class parties, understand this quite well. They are the political representatives and agents of business in government and have the support of the state, the media, and all the institutions of popular education and culture dedicated to the stability and continuity of the system. The NDP, as well as any other left wing party, must be nourished by a solid, organized base with the trade unions at its core, and beyond them the broader the better. If the NDP does not undertake to educate its base, to try to lessen the grip of the prevailing ideology, it is condemned merely to reflect it and to trim its sails accordingly. This is what increasingly in the last twenty years it has done. Its five-year record in government was the result. Nor is there any indication that if re-elected —a very big if— it would not pick up where it left off and continue in an only slightly milder form the Tory policies it now loudly condemns.

In order to create a left which will have some weight and whose unity will have some meaning, the first priority is to build or rather rebuild a base to what it was thirty or fifty years ago. It is necessary to strengthen the trade unions in every possible way and to organize, educate, and bring together all popular movements in the combined resistance to the onslaught of capital and right wing governments. In Canada, this means to begin with stopping the federal and provincial governments from dismantling every aspect and achievement of the welfare state, and reversing the process in which the three NDP provincial governments have cravenly taken part.

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Courtesy Mike Harris and his government, whose mailed fist on behalf of capital wears no velvet glove, resistance is building more quickly than would have been thought possible a year ago.

5. The merit of the Tories is that they mean what they say and do what they say they will; they are wolves without any pretence of sheep's clothing. They have reversed decades of improvements in labour legislation and have gutted pay equity and employment equity. They have made wide ranging and harsh spending cuts, beginning with a 22 percent cut in welfare allowances, with more to come in the spring budget and affecting every government department and government funded welfare, social service, and cultural agency in the province. Layoffs have begun of government employees, hospital workers, school teachers, and others throughout the public sector, amounting in all to tens of thousands of jobs.

The consequence is that the provincial legislative building in Queen's Park has become the focus of frequent and angry demonstrations and has been turned into a fortress guarded by the security staff and the police, whose excessive and threatening presence has several times led to violence. On a cold December morning, the Ontario Federation of Labour and its affiliates, in a one-day strike, closed down more than half of London, a traditionally placid city of 400,000 people 200 miles west of Toronto, and mustered a demonstration of nearly 20,000. In January, more than 35,000 teachers demonstrated at Queen's Park. In February, the Ontario Federation closed down Hamilton, a steel city of 600,000 at the western end of Lake Ontario, and brought together more than 100,000 protesters, twice the expected number, in a demonstration the like of which has not been seen in Ontario since the 1930s. On top of all this, after changing the law in two key respects, the government tried in bargaining to take away even more of the job security provisions of the collective agreement negotiated by the union (the Ontario Public Service Employees Union) with the NDP four years ago. Instead, it got a strike which lasted five weeks and forced it to make major concessions.

Government employees acquired the right to strike only after the previous agreement was signed. Under compulsory arbitration, the 67,000 union members had only a nominal right to reject a settlement, which they rarely did. This time, a vote to reject the government's final offer and a vote to authorize a strike were combined, and carried by a majority of two to one. Twelve thousand employees were by agreement declared essential and went to work, while contributing 30 percent of their pay to the strike fund. Among the 55,000 who struck, picketing

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of all government buildings was well organized and solid, they were often joined on the line by workers from other unions, scabs were few and far between and morale was high, with countless examples of genuine militancy. For the thousands of workers and a union leadership with no experience of organizing and sustaining a strike, it was a remarkable achievement. (Unfortunately, the opportunity offered by this achievement of making the union a leader in the common fight against the Tory onslaught has been tragically wasted. Instead, claiming financial necessity, the leadership embarked on a bruising and demoralizing round of bargaining with, or rather against, its unionized staff. It demanded Harris-type concessions and decreed layoffs as drastic as the ones the government put on the table last December).

All of this is strengthening and transforming the base of the left. Mike Harris, not the NDP, is "becoming the catalyst for a great coalition of labour, antipoverty and other advocacy organizations." There are some eternal optimists, among them evidently Morrison, who believe that the NDP can be persuaded to change and to become, what it has never been before, "a realistic political vehicle for working people and the progressive minded." Good luck to them in their efforts! But for the time being, focus on the NDP and election politics seems to me a side show.

As it gathers stregth and confidence, what the resistance will soon need is a program. With this in mind, Morrison should re-read Adrian DeWind's Review of the Month in Feburary's *Monthly Review*. It is inconceivable that the NDP would in the present state of public opinion and with an eye only on the next election adopt such a program. Why? Because, as DeWind states, such a program will only be possible if millions of people rise up and compel the needed changes. This will not happen tomorrow or even the next day. But if things continue to go as they have been, and in spite of shortcomings, hesitations, and occasional backsliding, it may not be a dream to be ruled out forever.

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Writings For A Liberation Psychology

by Joel Kovel

Ignacio Martín-Baró, *Writings for a Liberation Psychology*, Adrianne Aron, Shawn Crone eds., Elliot G. Mishler foreword (Cambridge: Harvard University Press, 1994) 242 pp.

When on the night of November 16, 1989, word of the assassinations of six Jesuits of the University of Central America in San Salvador, along with their housekeeper and her daughter, reached the joint headquarters of the Salvadoran security forces and the CIA, the assembled officers cheered. As the editors of this profound and unsettling anthology of the psychological writings of one of the slain six, Ignacio Martín-Baró, make clear, they had cruel reason to celebrate. For the US-trained killers had accomplished "more than a mass murder, it was an attempted sophiacide" (p. 1)—a killing of the wisdom and knowledge essential for resistance to their brutal regime.

The murders of the Jesuits were no surprise to anyone familiar with life in El Salvador. As Martín-Baró once quipped to a North American colleague, "In your country it's publish or perish. In ours, it's publish *and* perish." (p. 2) And as he drily observes in discussing some of the difficulties in doing empirical research in El Salvador during the 1980s, "the last bomb to explode in the home of this author (the fifth in three years [all when he was at home, add the editors]) came from his having publically defended the need for

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dialogue." (p. 194) Dialogue was, in Martín-Baró's view, a use to which psychological research should be put.

It is shocking to realize that a psychologist can be seen as subversive and that advancing the notion of dialogue would cause one's home to get bombed. In the metropolitan North, where the Spanish-born Martín-Baró trained (receiving his Ph.D. at the University of Chicago), the image evoked by the psychologist is that of a tidy fellow with a goatee, *New Yorkers* in the waiting room, and a brass plate on the door of his tastefully done suburban office. Here he contemplates human behavior, pontificates upon the inner world of the psyche, gives tests, fills out forms, and generally superintends the orderly passage of the self through this world. It is a thoroughly comfortable profession, not merely adapted to bourgeois existence but an integral, indispensible part of it. What the lawyer-narrator of Herman Melville's *Bartleby* said of himself applies equally well to the bourgeois psychologist: "All who know me consider me an eminently *safe* man." By the same reasoning, the dialogue advanced by psychology in the metropolis is eminently safe as well.

In contrast, here is the notion of dialogue as advanced by Martín-Baró: "The human being is transformed through changing his or her reality. It follows that this has to do with a dialectical process, an active process that cannot be taught by imposition but only through dialogue." (p. 40)

Not the words of a safe man. But was it the practice of psychology that primarily made him dangerous to the power structure, or his religion? After all, Martín-Baró was also a Jesuit and practitioner of that theology of liberation which shook the world, especially the world of Latin America, in the 1970s and 80s. Through its development of the "special option for the poor," liberation theology gave the masses hope of overturning the circumstances causing their poverty, thus putting revolution on the table as another kind of sacrament. Nothing can be more unsettling to ruling elites in these profoundly Catholic nations than to have the traditionally opiate function of religion turned upside-down, and quite a few priests and nuns, including the Archbishop of San Salvador, Oscar Romero, paid with their lives for doing so. Martín-Baró was, along with his other duties, a village priest, and he undoubtedly belongs to this group of martyrs, along with his fallen fellow Jesuits.

But his other duties included being the chair of the psychology department at the University of Central America, editing a scholarly journal, directing the National Institute for Public Opinion Research, and traveling throughout the Americas as a leading

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academic psychologist. And the heart of the matter is to realize that for Ignacio Martín-Baró there was no essential political distinction between his religious and psychological work. The essence of his life's work was to make psychology part of the same struggle as theology. Where there could be a liberation theology so could there be a liberation psychology, driven by the same fundamental principle: the option for the poor. Religion pertains to the relation of the human being with the transcendant; thus it invokes humans in the capacity of "soul." Psychology deals rather with the this-worldly relations of humanity, and regards the individual in the capacity of "self." To Martín-Baró, these are contiguous dimensions of human existence, and each is subjected to historical forces. The first premise of liberation theology and psychology alike is that "soul" and"self" are constructed, ideologically fought over, actively drawn into class struggle. As a revolutionary intellectual, Martín-Baró knew how much power is involved in what Hobbes called the capacity to give names and enforce definitions. There is a great deal at stake, to choose but one example, in how the poor are regarded psychologically. This plays a role in how they are treated by authorities, and also in how they regard themselves. Here are some of his reflections on this question:

> It must be stressed that it is only because of their ingenuity, creativity, and energy that the poor manage to survive the pervasive poverty that goes with marginalization. Outside the stale air of the laboratory no one could really believe that the marginalized populations of Latin America suffer serious mental disturbances. The fact is, the poor show signs of a vitality that is astonishing considering the objective conditions they face. What might appear as "laziness" is perhaps better described as economy of strength, and what passes as unreliability might well be a consequence of having to maintain alternate sources of income. (p. 90)

This insight defines a twofold struggle with the powers-that-be: against those who enforce unjust distributions of wealth and power; and, as an intellectual, against those who patrol the ideological frontiers and define human reality in ways congenial to the former group. In psychology the ideological distortion against which Martín-Baró fought encompasses more than the breathing of the "stale air of the laboratory" such as afflicts the experimentally hard-headed. It pertains, as he develops in a particularly brilliant passage, to a much deeper and more pervasive construction of consciousness itself. For as we "return to the historical roots of psychology," we encounter the "movement that restricted psychological analysis to behavior—observable behavior . . . ." This

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movement was a reduction, a removal of the full conception of consciousness; thus psychology deals with a truncated human being.

> For consciousnes is not simply the private, subjective knowledge and feelings of individuals. More than anything, it represents the confines within which each person encounters the reflexive impact of his of her being and actions in society, where people take on and work out a knowledge about the self and about reality that permits them to be somebody, to have a personal and social identity. Consciousness is the knowing or not knowing of self, through the world and through others, with praxis coming before mental knowledge. (p. 38)

In this view, so foreign to our psychological establishments, the subjectivising psychologies like psychoanalysis are as deficient as the objectivising psychologies like behaviorism. Neither sees the person from the standpoint of praxis; both sever the human being from the world, creating pale abstractions to be processed intellectually. In so doing, psychology processes people to fit into the established order. The trendy "humanism" which passes for progressive thinking in the psychoculture of the metropolis is equally defective insofar as the human being it postulates is removed from the full range of social relations.

Without mentioning the names of Marx or Engels—a kind of Aesopian discourse frequently resorted to by the radical clergy in order to keep down the whiff of heresy—Martín-Baró develops a genuinely Marxian vision of psychology. Its core concept is praxis—which, depending on the angle at which it is looked, can be regarded as either conscious social transformation or socially transformative consciousness. The notion of praxis is applicable to the understanding of human beings in society as well as to the critique of those who study human beings, such as psychologists. Thus "to achieve a psychology of liberation demands first that psychology be liberated." (p. 25)

Interestingly, one can turn the same lens upon Ignacio Martín-Baró himself. These essays, drawn from the prodigious output of three decades, reveal a complex inner development, a radicalization of thought organically related with ever deepening praxis. Ignacio Martín-Baró was not always a liberated psychologist. In some texts he writes like a man who is too much inside the professionalized world. We find him at some familiar academic ploys; he backscratches with citations "authorities" who would never dream of using psychology in the spirit of liberation, and he uses the technocratic language whose ideological foundation he is to demolish. As late as 1984, for example, Martín-Baró retains the discourse of "mental health." He does not take it at face value, but expands the

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notion so that it is seen "not from the inside out but from the outside in; not as a result of an individual's internal functioning but as the manifestation, in a person or group, of the humanizing or alienating character of a framework of historical relationships." (p. 111) Still, the vision remains reformist and weakly concedes legitimacy to the psychiatric establishment that promulgated the slickly repressive diagnostic codex, DSM-III.

This is a minor instance, however. Earlier in his career Martín-Baró showed just how dangerously technocratic language can be adapted for evil ends. In 1975, he published an essay, "The Psychological Value of Violent Political Repression," in which he ingenuously offered the expertise of the psycho-technocrat to the Salvadoran state, modestly proposing to address the question "whether the use of repressive violence does or does not aid the governments [sic] in achieving their objectives. Our purpose here is to learn whether the results of violent repression are beneficial or not, politically speaking." In case this makes you blink, read on. "Political order requires coercion," continues Martín-Baró. Since it is "idealistic or naive to think that an absolutely noncoercive political regime can exist;" Therefore, we must use *science*, in this case psychology, to "establish some criteria for determining the rationality or irrationality of . . . repressive violence." These effects are "not at all obvious," hence require the skill of the social scientist to decipher. "Thus while in Brazil repressive violence seems to have produced positive results (at least from the point of view of development), in Uruguay it seems to have helped bring about almost total socioeconomic chaos." Hence "we need to calculate as best we can the extent of the influence of repressive violence . . . ." "This is where the social sciences should come into the debate, because the logic or rationality of this political practice must be measured by its real effects, by its cost-benefit ratio . . . ." And to do so, "psychology is necessary . . . ." (p. 151-54)

Astounding stuff, this, from the man to be riddled with bullets fourteen years later by the same regime. It is hard to find words adequate to so bizarre and troubling an outcome. The tragic end swallows any sense of irony. If there is a lesson to be drawn it is that the instrumental logic of the social sciences cannot be regarded innocently. Martín-Baró would of course never have gone through with the support of state terror which this passage portends, but he shows himself nonetheless to have been for a time prisoner of its deadly logic. Just as the pre-modern state needed theology as a discourse of inquisition and repression, so will the modern state employ the seemingly neutral language of technocracy—of positive

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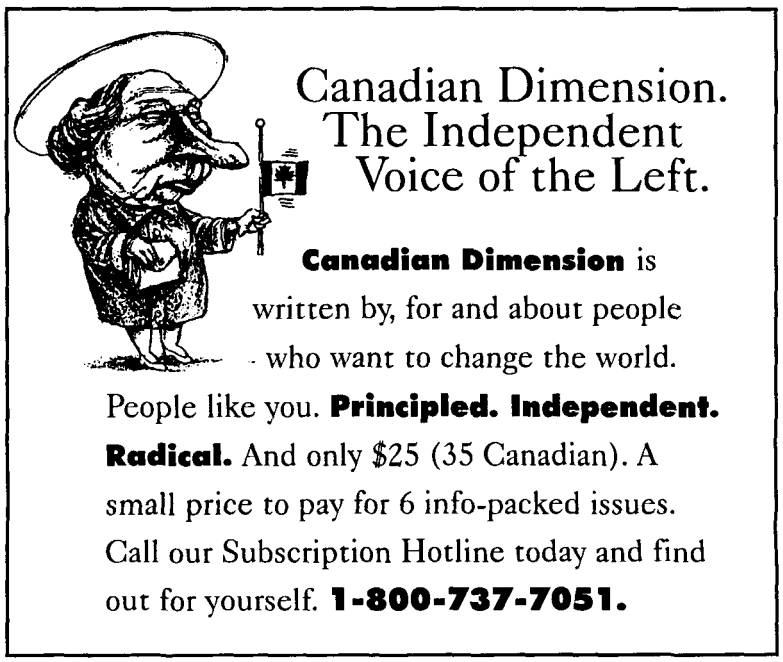
results, of cost-benefit ratios, of the pseudo-realism of instrumental rationality, above all, of calculation—for similar ends. How many roads to hell have been paved with these "value-neutral" intentions which, aiming to serve truth, essentially legitimate oppression?

One last word about *Writings for a Liberation Psychology*. It is a splendidly, lovingly and selflessly edited book, selfless to the extent that the editors do not reveal their professional affiliations, though they identify three institutions—the University of Central America José Simeón Cañas, the Faculty Seminar on Central America at Swarthmore College, and CHRICA, the Committee for Health Rights in Central America (of which the editors are members)—as beneficiaries of all proceeds from the book. I desperately hope I am wrong, but the oleaginous nature of North American psychology will, I think, succeed in keeping Ignacio Martín-Baró at a safe distance and deprive these worthy bodies of their reward. The dialogue for which he gave his life remains a distant though unforgettable goal.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Makoto Itoh's Socialism

by William K. Tabb

Makoto Itoh, *Political Economy for Socialism* (New York: St. Martin's Press, 1995) $65.00 cloth. 238 pp.

Makoto Itoh begins his important new book by writing that "Socialism is now generally regarded as an old and failed social order." Itoh, a highly respected Marxist economist who teaches at the University of Tokyo, has written on value theory and the world capitalist crisis. Here he offers a rethinking of a political economy for socialism in the light of a presumed triumph of capitalism. The debates are familiar: the meaning of Marxism, the nature of capitalism, the project of restoring the vitality of socialism for a new century, and the prospects for socialism at a time when "the very idea of socialism is at stake."(p. xiii)

In 216 pages that present socialist ideas and socialist movements and then review social systems based on these ideas and movements, he covers an amazing amount of ground. Most readers will learn a good deal about the issues that most concern Marxists and other socialists today. Itoh is a mature thinker who takes stands on particular controversies and expresses opinions on the overarching problematic of the debates. If one disagrees with important aspects of what he has to say, and it is likely many readers will, it is because he does not paper over conflicting interpretations of doctrine and important political differences.

William K. Tabb teaches Economics and Sociology at Queens Colloge and the City University. He is the Author of *The Postwar Japanese System* (New York: Oxford University press 1995).

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Itoh's position is that society as an association of free persons does not need to surrender to the logic of the market and can still envision socialist goals. He believes that the Soviet type of centrally planned economy has "a degree of viability under certain historical circumstances" and that the Soviet system did well for decades for reasons which are important to acknowledge. In the foreseeable future an openness to alternative roads to socialism must be entertained and the concept of socialism must not be limited to one "correct" model. Itoh believes the social democratic current should not be dismissed in the name of "orthodox" Marxism, a conclusion he grounds in a consideration of the experiences of China, the Soviet Union, and Eastern Europe.

The brief discussion of the formation of various concepts of socialism, from the appearance of the term in the *Co-Operative Magazine* in 1827 through his discussion of the utopians, anarchists, the radical peasant revolutionary communists, Locke, the Jacobins, and Narodniks, is in its entirety 14 pages. The presentation of socialist theorists (Owens to Lenin) is no longer. These introductory chapters and the following one "Marx's socialism" are masterful in their capacity to summarize complex matters. They are background introductions integral to the themes of measurement of use value and its relation to pricing in Soviet-style regimes which came later.

The application of Marx's understanding of class formation to Soviet society and the actual experience of reform attempts is especially important. As Itoh suggests, if Marxists don't undertake this task with honesty and clarity, the interpretations of the enemies of socialism will go uncontested. Beginning from his belief that it is conceivable that central planning can be run by democratic social decision making without privileged bureaucrats, Itoh examines the actual experiences of socialist regimes. This discussion is informative and useful. However, there are issues of importance which require close evaluation by readers.

While Itoh warns of the abuses of bureaucracy and wishes a society in which the direct producers control their social destiny, he is not sufficiently sensitive to the dynamics of class interest in the transition to private property and market relations in the collapse of Soviet communism. A related issue is his ignoring of the historic defeats of social democracy in our era and the importance of bringing a radical moral vision to the socialist project.

Itoh believes that the Soviet economy was able to function so long as it managed to secure the cooperation of workers. The country lost momentum when its extensive mode of accumulation in heavy industry had to give way to the use of advanced techniques.

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In the 1970s and 1980s, as Gorbachev noted, growth fell to "a level of close to economic stagnation." The technological backwardness compared to the West became greater. Itoh stresses the coordination failures of this period as the abundance of labor and raw materials declined and the need to restructure grew. In Itoh's view, Gorbachev and the group around him failed to prepare an accurate economic analysis of the causes of the stagnation and the crisis of the economy. Their technocratic and managerial solutions (attacking alcoholism among workers rather than planning inefficiencies) and the resistance of the existing administrative apparatus produced by budget deficits and inflation. This was the context in which a naive acceptance of salvation though the market could take hold. The Yeltsin-Gaidar shock therapy, privatization, failed in Itoh's view because "a market is not something mechanically designed, but, rather a set of spontaneous, organic, and fundamentally anarchical socioeconomic relations."(p. 187)

This view, while it is accurate as far as it goes, sets his analytical framework at an angle to that of Marxists who treat the transition from central planning to privatization and the market as a result of the class interests of the Soviet elite for whom the Gorbachev reforms created the conditions in which a pro-capitalist coalition could seize the means of production. A socialist system run by the privileged elite, in which a majority of the people are passive is not a sustainable one, and the elite had the political space to "make the Revolution," to break up the Soviet order not in the direction of democratic socialism but of a corrupt and anti-egalitarian capitalism.

His view on the class nature of society is also evident in his optimism as to the prospects for social democratic outcomes in Eastern Europe. The quick jump to the market there, Itoh thinks, was in hope of obtaining significant Western aid which has not been forthcoming. The cost of "free enterprise" has produced a widespread disillusionment with neo-liberalism and he sees the distinct possibility that a new type of socialism "can be viable and successful."(p. 201) One certainly hopes so. But on what basis? Who will lead such a transition and on what sort of politics and class alliance will it be based? Economists are not always the best people to address such issues.

Revisiting the Taylor-Lange-Dobb-Sweezy and Hayek-Mises-Weber debates on socialist economic calculations, Itoh considers the theoretical defenses of the rationality of a socialist economy in great detail carrying his summary-commentary through recent debates on the market and socialism (Mandel, Nove, Elster,

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Bardhan, and Roemer). He suggests that the Japanese experience has shown that flexible innovative change cannot really be achieved simply by managers but must also be founded on the cooperation and initiative of workers on the shop floor. Itoh thinks that the development of computer information technologies can ease the severity of the allocation problem. He expresses this view without mentioning the thinking and experience of the generation or two of Soviet planners who believed likewise and were disappointed for reasons which only partially reflected limited computational facilities.

In general this review of the market socialism debate is first rate. His own conclusion is that many of these models are theoretically inconsistent when one tries to incorporate into them the socialist demands for an egalitarian distribution of income, social consumption, and ecological protections. The question of near prospects and long run possibilities is also treated well. Itoh recognizes that while we want to consider a range of feasible economic models of socialism this does not mean that any model can be chosen independently of the given historical conditions of a society.

Market socialism has become something of a talisman which avoids or gives insufficient attention to traditional socialist concerns. The point can be put more directly than Itoh does. As Harry Magdoff has argued, the choice of market versus plan while not unimportant, is a secondary matter. A socialist vision is about a society of justice, and the issue of the market must be resolved in relation to such a vision. Similarly, it may be that, as Moshe Lewin argues, detailed central control is not a necessary feature of central planning but rather the result of politics, class interest, and arbitrary command decision making. This is essentially the position Itoh takes as well, although the weight of the debate over market socialism privileges it as the central issue for socialist political economy so far as his book is concerned.

Itoh discusses whether surplus labor can be eliminated and profit can achieve the flexible allocation of resources necessary to develop new products and production methods and to secure motivational commitment from management and workers. He argues for combining market socialist elements with democratic governance and a form of centralized planning. He believes that this type of system can achieve the flexible allocation of resources necessary to develop new products and methods of production as well as secure motivational commitment for managers and workers. His preferred model of "really existing transitional possibilities" is China because he sees strong authority as necessary if economic

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growth is to be maintained. He rejects the neo-liberal path of the Eastern Europeans but does not discuss in what sense China's path could have been, or could now be, a relevant choice for Eastern Europe. He is also aware that "there is, certainly, a danger that the socialist foundations under the Communist government would be eroded through the very process of successful economic growth with increasing marketization."(p. 211)

This is of course the issue which mostly divides Marxists from other socialists. Itoh's fear is that the state will not be strong enough to enforce reform. He approves the Chinese market-Leninism in which economic liberalization is accompanied by tight party control and thinks that without strong leadership things would be far worse. There is little questioning of the nature of that leadership, the class tensions of the Chinese transition, and a faith that it is in fact toward a workable and desirable socialism in his discussion.

Perhaps the upbeat conclusions concerning the possibilities of socialism in the former communist countries is a proper antidote to the pervasive pessimism which Itoh writes to address. Perhaps the ignoring of Eastern Europe, the United States, and even Japan is simply because the scope of the undertaking is already so ambitious and his choice of coverage is guided by a sense of what the traditional core debates of socialism have been. Surely Itoh has not intended the final word. What he has dome is produce a provocative and inclusive consideration of the political economy of socialism at the end of the 20th century. For this we owe him a great debt of gratitude.

Reason or the ratio of all we have already know, is not the same that it shall be when we know more. -William Blake

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Calling the Shots

By Saul Landau

Phyllis Bennis, *Calling the Shots: How Washington Dominates Today's U.N.* (New York: Olive Branch Press, 1996) $17.95 cloth. 272 pp.

After the Second World War, optimists looked to the United Nations as the hope to force decolonization and bring conflicts among nations to peaceful solution. Fifty years later, the U.N. has not only lost its glow, but has become a political and diplomatic afterthought. T.V. and print media editors barely consider the U.N. as a relevant news source except during periods of crisis. Only then do news organizations send reporters to the U.N. or run stories filed by low-paid stringers. One such rule-proving incident occurred in February, 1996, after Cuban MIGs had dispatched two unarmed planes flown by anti-Castro exiles over or near Cuban airspace. Instead of military retaliation, the United States took the issue to the U.N. Reporters covered the brief debate, but failed to investigate Ambassador Madeline Albright's sleazy back room ploys, which included delaying a visa to the Cuban Foreign Minister so as to insure his absence at the Security Council debate before it voted.

Albright intended to maneuver the Council into issuing a strong condemnation of Cuba's actions. Albright got less denunciation than she wanted, but still the incident demonstrated Phyllis Bennis' well-argued thesis, alluded to in her book's title. The U.S. government dominates the very world body for which it frequently

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expresses contempt. Indeed, Washington shamelessly manipulates the U.N. to serve nefarious purposes, only to cast aspersions on the body's effectiveness and refuse to pay proper dues when U.N. agencies offer so much as a hint of disapproval toward U.S. policies.

Yet, after the Cold War, as the book shows, Washington has exercised naked power against weak opponents and then turned to the U.N. as a convenient fig leaf or perhaps underwear provider. "With U.S.-Soviet rivalry nearly at an end, Washington needed a new global framework to articulate its role—that of a superpower without a sparring partner. Its message was that despite the collapse of its strategic competitor, the United States remained very much a player in the superpower game." Senior U.S. policy makers, Bennis relates, conveniently deploy the U.N. to manipulate U.S. public opinion. After U.S. delegates coerced, bribed, or threatened U.N. members into agreeing with Washington's line—dire sanctions on Libya and Iraq for example—U.S. spin doctors attribute those very Draconian measures to the international community.

In the case of Cuba, the U.S. "imposes and attempts to internationalize its blockade without regard for overwhelming U.N. opposition. But in each case, the choice of crippling sanctions is rooted in the U.S. effort to go head-to-head, but not quite to war, with governments Washington would like nothing more than to see overthrown." (p. 172) However, when the General Assembly declares itself resolutely opposed to U.S. policy, as in the case of the three decade plus U.S. embargo and travel ban on the island, "the U.S. simply ignored the result. And being the General Assembly, rather than Security Council decisions, the resolutions had no enforcement power." (p. 188)

While the United States pressed during the 1980s for U.N. action against Cuban human rights violations, the incomparably worse record in U.S. client states like El Salvador and Guatemala were studiously kept from U.N. attention. Bennis points out that newly declassified documents prove what "had long been denied, that the Reagan Administration had supported right wing backers of the Salvadoran death squads responsible for numerous murders of priests, nuns, opposition political figures and other civilians." (p. 189)

As the U.N. has failed to take—or was prevented from taking—decisive action, on key human rights, environmental and disarmament issues, NGOs emerged throughout the world. The U.N. responded to citizen pressure by holding a series of international forums, "traveling road shows" as the press sarcastically labeled it, to deal with these growing concerns. Bennis analyses how the United

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States then systematically attempted to co-opt and thwart the militant NGOs from the 1992 Earth Summit on, and then to replace legitimate political demands with its own corporate and imperial line.

Nowhere is this more blatant than in the discussion of human rights. With the demise of the Soviet bloc, the very notion of substantive freedoms, or economic-social rights, has practically disappeared from the dialogue venue. Over the past decade, Bennis demonstrates, the U.S. definition of human rights as political, legal, or procedural freedoms, has become nearly axiomatic. Powerful congressional figures considered the economic-social-cultural covenant so alien as to delay signing them until 1992, and even then with major reservations. More important, Washington has spun the major media to accept its limited definition of rights as "universal." (p. 185)

When the prestige media refer to rights they do not mean the right to eat, to hold a job, or have access to education, and medical care. Even in the procedural field, U.S. ideologues have exercised epistemological control, and have reduced prevailing concepts of democracy to a kind of "electionism." Powerful and wealthy elites throughout the Third World play out this U.S.-sanctioned voting game. The results are then hailed by neoliberal practitioners in the financial centers as proof of how wonderful is the combination of political democracy and free market economics.

Third world militaries step into the background in exchange for the chance to play with new weapons and enjoy other lucrative incentives offered by Washington, while the vying political groups with similar economic policies play "free elections" every few years. Ironically, as the United States basks in its missionary role of democracy-spreader throughout Latin America, it steadfastly refuses to allow democratizing reforms for the U.N. Indeed, Bennis illustrates, it suppresses not only third world aspirations to exercise more input on allocation of world resources to meet desperate needs, but ignores the demands of considerable sectors in Europe and the United States as well.

As the free-market steamroller moves forward on the economic front, its neoliberal ideological counterparts trivialize the debate over environment, and wring their hands in despair over the plight of women and children; alas, poverty and destruction of indigenous cultures seem to be inevitable results of "progress."

When the General Assembly raises these issues or when U.N. agencies like UNESCO try to take on a semblance of genuine independence from the imperial powers, Bennis shows how the

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United States withholds support (its checks) and levels attacks on the U.N. for "Third Worldism." In the 1980s, Washington became a supreme obstacle to functions that didn't coincide directly with the U.S. agenda—until the Soviet collapse occurred and President Bush saw the chance to use the U.N. to prove the United States' unchallenged world power. President Bush, distinctly lukewarm on the U.N. before he saw how he could use it to his advantage in 1990, turned a U.S.-English-French operation into a U.N. crusade, despite the fact that "the global organization had no say in decisions about, how, when, where and for how long the (Gulf) War would be waged." As Bennis illustrates, the United States seizes only upon transgressions it deems unacceptable (Iraq invading Kuwait) while ignoring or preventing from being discussed those it deems acceptable (Israeli destruction of Lebanon). Bennis is at her most insightful and passionate best when detailing the lengths to which U.S. diplomats went to protect Israel from U.N. sanctions.

While the United States has controlled recent armed U.N. operations, as Bennis demonstrates in the cases of Somalia, Haiti, and especially the Middle East, "U.S. political and financial hegemony at the U.N. is not yet complete." She leaves room open for activists to think about how they can shape the future of this international body.

Calling the Shots is more than a condemnation of a once-prestigious body that was subsumed by U.S. imperial aims. Alongside its in-depth analysis, the book also contains a list of needed reforms and moral and political imperatives for activists seeking healthy paths for the twenty first century. Never has the U.N. been more important and at the same time so unable to meet the obligations of its charter. Bennis understands the ailment of "one power domination" and proposes the cure: democratic reform that must come from political movements, NGOs, and third world alliances. Bennis rightly reminds readers that key post Second World War economic decisions, taken at Bretton Woods, were intended to be part of the U.N. But in fact, the IMF, the World Bank, and GATT have excluded the U.N. from Their operations. (p. 11-12) The book could have used a bit more exploration of possibilities of a reformed U.N. bringing these great movers of capital under its aegis. Bennis' thesis demands attention: the U.N. reflects the power division in the world as it is rather than as its charter specifies. She suggests that however unfair the U.N. has become because of U.S. domination, the institution must be maintained—and reformed—so that it can begin to address the very tasks for which it was created.

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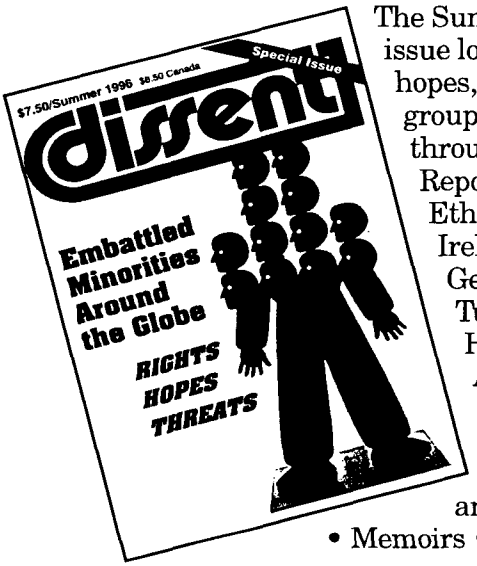

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structure of his argument. Focussing on the British Labour Party, which is obviously the kind of center-left party he is thinking of, Hobsbawm distinguishes between the politicians, or operators, and the left intellectuals who make up an important part of its constituency. The job of the politicians is to get elected, and that of the intellectuals, as Hobsbawm sees it, is to tell the truth as a counterweight and antidote to the "sheer amount of self-censorship and non-truth telling which is imposed on any party believed capable of winning a general election." This is necessary because "refusing to say the electorally inconvenient, which is just one step away from refusing to think the electorally inconvenient, cannot be an adequate guide for taking charge of the destinities of a country."

There follows here a sampling of the things Hobsbawm thinks need to be stressed, mostly introduced by "someone has to say." (1) "Someone has to make the case for redistributive taxation to achieve public purpose and relieve the growth of poverty." (2) Someone has to say (quoting Sassoon) that "unlocking market forces as a solution to mass unemployment" is today "a monument to human folly." (3) "Maximum growth, as David Marquand reminds us, does not mean maximum wellbeing. When the Emperor is naked, someone has to say so." (4) "Someone has to talk about the publicly unspeakable, otherwise we shall really talk ourselves into the belief that states must abdicate before the market, or that a country considerably richer than in 1970 cannot afford what it offered to its pensioners twenty five years ago." (5) "Someone must look at the problems that we face without immediately thinking of tomorrow's polls. In short, in political situations which dare not speak their name, there is a role for non-elected and disallowable, if troublesome, Labour intellectuals who can and must."

Somewhere, woven in with these bits of advice to labor intellectuals, one might expect to find at least a brief sketch of the kind of program the politicians should adopt in order to find a way to begin to solve the admittedly intractable problems that face them on all sides. But no, Hobsbawm not only does not offer anything of the kind, he actually explains why he thinks it is impossible. Under present circumstances, he writes, "the policies that worked so well in the golden mid-century decades of cohabitation between regulated capitalism and social democracy broke down and cannot be restored....It is therefore undeniable that the left must fall back on pragmatic policies. It has no obvious or specific election campaign. For the first time in memory, a Labour election campaign is run not on the principle of offering the British people an alternative to Government —a disastrous and visibly bankrupt regime, as it happens— but behind the defensive ramparts of the slogan: 'We are not what the Tories say we are.'"

Here we must pose a question that Hobsbawm's analysis clearly implies but that he seems not to recognize and certainly fails to make explicit: What happened to the conditions that made possible the golden decades of cohabitation between regulated capitalism and social democracy? Why did they break down? Are they likely to return in the

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